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### ADJUSTING AGRICULTURE AND SERVICES TO THE NEEDS OF FARM PEOPLE<sup>1</sup>

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The inauguration of public programs for agriculture suggests the need for more thorough evaluation, not only of the background of conditions which justify such programs, but of the real objectives and methods of betterment which will be most beneficial to the farm population and to society at large.

Agriculture has played a leading part in the economic, social, and political history of the United States. In the early stages, since colonial expansion was for the purpose of obtaining agricultural raw materials and since the modern industrial system had scarcely begun it was the only industry of any importance. Until after 1900, the rural population, most of which was agricultural, was over half of the total. Not until about 1920 did the number of persons engaged in manufacturing approach the number engaged in agriculture. Therefore, at least until the beginning of the present century, agriculture has been by far the most important factor in the economic development of the United States.

In addition to the economic, agriculture has contributed vitally to our growth and development in other respects. The rural population, with its relatively high birth rate, has been a source of man-power for the rapid growth of industrialization and urbanization. The constant stream of new blood from country districts has, according to sociologists, contributed to the health, vigor, and vitality of the urban population. It is a point of great significance that the rural population in America has been of such quality that it could be absorbed by the urban group with the minimum of friction and

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<sup>1</sup>Presidential address delivered at the twentieth annual meeting of the Southwestern Social Science Association, Dallas, Texas, April 7, 1939.

that the infusion has been of advantage to both groups and to society at large.

The rural population, particularly in recent years, has been a stabilizing influence on all forms of economic and social organization. The comparative isolation of the farmer preserves independent and individualistic qualities. The lack of close contact with other groups and the minimum of diverse population mixture tend to preserve in rural districts the conventional forms of social control. In the past we have been inclined to look upon the conservatism of the farm group as standing in the way of progress. In the future this stabilizing influence of the rural population may be valued highly for retarding the rate of economic, social, and political changes.

In the United States to date, there has been but little fundamental difference between rural and urban populations so far as concerns attitudes, habits, and culture, excepting the difference in length of time commonly taken to accept innovations. Much of the urban group has a rural origin of recent date. To the extent that the two environments have created differences in character, each has tended to complement the other to mutual advantage.

It can be taken for granted that the greatness of the nation to date may, in large measure, be attributed to agriculture. It can also be taken for granted that the quality and stability of our economic, social, and political institutions may be attributed to the influence of the rural population. One question is whether circumstances have evolved in recent years which will greatly reduce the influence of agriculture on the national economy, to the disadvantage of the farm group and other groups as well. Another question is whether pronounced differences in the character and social influences of the rural and urban groups, to the disadvantage of both groups and to society as a whole, will begin to appear. There is finally the question whether the eventualities inferred in these two questions may be avoided by certain types of public programs for agriculture and rural people.

Agricultural settlement from the close of the Civil War until 1900 found its way into the most productive areas of the nation, not only greatly expanding agricultural production facilities in terms of total area and number of farms, but also establishing the basis for farm communities, villages, and towns in the remote and previously unsettled parts of the

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country. During this short period both the total area and the improved area of land in farms were more than doubled. Also during this period the growth of the production index in agriculture ran parallel with that of manufacturing, which has not occurred since 1900.

The factors causing this great development of agriculture from the time of the Civil War to 1900 are particularly significant, because of their later effects. The first factor was the great abundance of virgin, productive, and cheap land available for settlement, which was used to expand the basis of agricultural production. The second was the great industrial development in Europe which required the importation of raw materials and food supplies, particularly some of those produced in the United States. In the 30-year period, exports of wheat from the United States increased by more than five times, corn by almost 20 times, beef and beef products by more than 11 times, pork and pork products by more than 12 times, and cotton by almost 4 times. While industrial development in the United States as an outlet for American farm products was important in this era, we commonly think of the industrialization in England and in other European countries as the basis for disposing of the surpluses of American agricultural products which resulted from the expansion of farming in the new land areas mentioned. In short, American agriculture in this period, particularly that of the newly developed frontier areas, was being expended upon the basis, largely, of foreign market outlets. The American farmer was encouraged, not because of high prices but because of the expanding volume of production on the farm. The development of the agricultural frontiers of the United States was ahead of those in other new countries, and the standards of living throughout the world were rising more rapidly than perhaps in any other period of history.

The favorable circumstances of an expanding market outlet for American food products in foreign countries were reversed after 1900, because of new nationalistic policies in European countries and, later, changes in economic conditions and relations affecting international trade. Much of the export market was lost before the World War. Rapid industrialization, including mining, in the United States after 1900, combined with the abnormal demand for American farm products created by war conditions, cushioned the shock of this

change until about 1920. The trends in agricultural expansion, partly because of earlier encouragement by an expanding export market, the loss of which was not at first realized, and later because of war demands, extended the period of relative prosperity for agriculture until about 1920. After 1920 the real conditions surrounding American agriculture and the farm population asserted themselves and have since become obvious. The conditions are about as follows:

(1) The agricultural plant, during the great expansion period from 1870 to 1920, had developed to embrace most of the usable crop land and a corresponding increase in farms and farm families forming the basis of rural, village, and town life, throughout the country. During the period, also, the technique of agricultural production was greatly improved. The capacity to produce was being increased, both in land area and number of farms and in improved methods of farming.

(2) The foreign outlet for American farm products, which was an important factor in stimulating the expansion and improvements mentioned, began to disappear after 1900. Only for a short time was the industrial and commercial expansion in the United States sufficient to offset the loss in foreign markets. American agriculture, from this point of view, is faced with several obstacles. It should be remembered that the present scope of agriculture was, to a considerable extent, developed on the basis of foreign markets. The fact that the European countries which were our best customers had, before the World War, adopted programs of self-sufficiency in agriculture, which resulted in drastic decline in our exports, is especially significant. While the after-war conditions which, for other reasons, further reduced our exports may be considered transient or temporary, the fact that our old foreign customers shifted in part to other countries for raw materials as an outgrowth of recent conditions, may also be significant. Lost markets are not easily regained. It should not be expected that our own industrial developments will offset these losses, at least not for a great many years, because the needed industrial expansion would also require foreign outlets. The same conditions that have caused the reduction in exports of agricultural products, combined with new political developments in several countries toward perpetuating nationalism, if not out-right antagonism to this

country, will limit our industrial expansion. The consequence is a limited opportunity for agricultural production in relation to capacity.

(3) The favorable income of the farmer in the past, in addition to the larger volume of output, was partly the result of exploiting the land. In some areas the land was literally sold in the form of annual products, at the expense of future income. This exploitation, with other forms of neglect of land resources, will further limit the economic opportunity of some farmers.

(4) Land values rose during the period of rising farm incomes and much of the land changed hands, leaving a capital structure and mortgage debt out of proportion to present or prospective returns. The tendency for land values to decline since 1920 has been checked by a new type of pressure on the land resulting from unemployment and the lack of alternative opportunity on the part of farmers and other workers.

These and other conditions lead to the conclusion that farmers in the future are likely to meet with more difficulty in maintaining the standards of living which they had come to enjoy and to expect during the developing period. Realization of income from increase in land values and exploitation of land resources, important features of past history, cannot be expected in the same degree. Agricultural production has always been highly competitive, and competition for existing market outlets, in view of the scope of facilities and farm labor available, will become keener. Consequently, prices of farm products will be relatively low.

It is also likely that the competition for land, owing to the type of security rural life gives in comparison with commercial and industrial employment, will result in a larger number of farms and smaller farms and consequently lower average commercial incomes per capita of the farm population. Whether farm incomes will be lower or whether they will be held to the levels realized in the more favorable period of our agricultural history, the fact remains, in the absence of the accumulation of farm wealth from rise in land values and land exploitation, the majority of farmers in the future will not be able to obtain, purely by means of monetary incomes, the requirements for modern standards of living. The prices of certain services on the present commercial basis, such as educational, health, housing, communicational, and recrea-

tional, to mention only a few of them, are out of the range of the great majority of farmers.<sup>2</sup>

Certain developments will probably occur which will be helpful. New discoveries will be made in the use of agricultural products and in methods of preserving foods. Improvements can be made in the handling and distribution of farm products which will result in a larger volume of output or higher prices being paid to the farmer. Some success may be attained in the improvement of international trade relations, and, from this and other causes, further industrial expansion may be expected. Population increase will require a larger volume of agricultural raw materials. Progress along these and other lines will be made, permitting a larger volume of agricultural output or more favorable prices and some resumption in the flow of the surplus farm population into other trades and industries. None the less, such developments will not take place rapidly enough to prevent an excess of agricultural facilities and rural population in relation to economic demand.

In view of the probabilities, there are two alternatives that offer some promise. One is in reducing the cost of production on the farm as a means of increasing both the volume of agricultural output and the margin of net income per farm. Progress in this direction is being made by the substitution of mechanical for hand methods of production and by shifting from the more intensive to the more extensive methods of production whereby land is more fully utilized and the expense input reduced. To the extent that these and other changes in method may reduce costs, the agricultural output

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<sup>2</sup>A few illustrations will support the accuracy of this statement. In many farm communities, public school services are of such low quality that rural children fail to acquire enough elementary training to enter high school or college. Most farmers are unable to meet the cost of providing, by other means, adequate public school services for their children where the local community fails to do so.

It is a well-known fact that many farm families, owing to the high cost are unable to obtain timely health services. As a result, the meager health services used frequently come too late to be effective. Farm buildings, in most instances, have to be obtained by means of income derived from the farm. The earnings of most farms are not large enough to provide adequate buildings on the basis of commercial costs. Similarly, communicational and recreational services in country districts on a comparable basis with urban districts, can be obtained only at relatively high costs.

can be increased. Lower costs and correspondingly lower prices of agricultural products would contribute to a recovery of foreign market outlets and increased domestic consumption. The resulting larger volume of output on the farm would contribute both to efficiency in the use of agricultural facilities and to the volume of farm income.<sup>2</sup> The most that can be expected, however, in the way of reducing the cost of production, permitting lower prices for agricultural products and a larger volume of output per farm, will not be enough to enable the majority of farmers to purchase the necessary requirements for a satisfactory standard of living. Cash incomes will not be adequate.

The other alternative, as a means of adjustment to a low price and income situation, is in a greater degree of self-sufficiency, both on the farm and in the rural community. A greater degree of self-sufficiency on the farm would mean the production on each farm of everything economically possible in the way of food, housing, and equipment for both the farm and the household. After these things are done, there will be plenty of land and labor for the maximum of production for sale within the limits of available markets. Self-sufficiency in the community would mean cooperative production of farm and household equipment which could not easily be produced or otherwise obtained by the individual, and also recreational, health, electric, communicational, housing, and like services, which may be either produced or purchased cooperatively by the group.

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<sup>2</sup>The substitution of mechanical equipment for hand labor, or other means of increasing efficiency in production, may, on first thought, be considered an obstacle in the way of improved income and standards of living. Excepting for the initial stages, this impression is erroneous. If only the larger operators developed such efficiency, the smaller operators would, of course, be at a disadvantage. With the development of the small tractor and other machinery suitable to the small farm, however, the small farmers, except in extremely hilly sections, should be able to lower their costs and otherwise compete with the larger operators.

It has been assumed that increase in the use of improved machinery on small cotton farms would lead to more specialization in cotton and to less diversification of enterprises. The opposite result is more likely to follow. The small farmer, operating by hand methods has had but little time during the growing season for enterprises other than cotton. Improved machinery would free a part of his time for other enterprises, which could be used to increase the farm income.

Self-sufficiency is commonly considered a step backward, because the idea is associated with hand-weaving and spinning or other hand methods of production. Such is not the case. Farming will continue to be mechanized as equipment is devised to fit the needs of the sizes and types of farming. Self-sufficiency on the farm and in the community is not a step backward because it will supply some of the needs of a satisfactory standard of living in country districts, which, if they are not obtained in this manner, will not be obtainable at all. As soon as this fact is realized, there will be a shift from the attitude acquired during the favorable period mentioned earlier, when our standards of living were rising, that necessary requirements could be purchased from the proceeds of salable products or services, which is not only the attitude but the alternative of those of us living in the towns and cities.

Again, when everything possible is gained from reducing costs and from self-sufficiency, there is danger that the necessary standards of living and progress for rural people may not be realized. If not, the objectives of public policies and subsidies should be to assist, by whatever means are necessary, in safeguarding or actually improving rural standards of living.

Two questions need to be answered specifically at this point. One is the question of what is meant by standard of living. The other pertains to the purpose, and the method of accomplishing that purpose, involved in public policies for rural people. A desirable or satisfactory standard of living includes all those elements involved in the everyday life of people which are necessary to reasonable intellectual, physical, and social well-being and progress of the people concerned. Among those requiring effort and expenditure of money, in addition to food, clothing, and shelter, there should be mentioned education, health, recreation, and communication. These, interpreted broadly, embrace much of the economic and social activities of society.

The purpose of national policies for agriculture initiated in recent years, for the most part, has been to maintain the economic position of agriculture. This objective is based upon an erroneous assumption, namely, that individuals, if given their former monetary income, will maintain desirable standards of living. This result by no means follows, for two reasons. One is that individuals frequently do not maintain the

best standards when they have the necessary monetary income. Another is that something has happened to our economic and social order, particularly with reference to the availability and costs of certain personal services which are required by all people. Because of distance and pricing systems of professional groups, adequate services along these lines have gradually receded beyond the reach of rural people, even on the basis of the more favorable economic conditions of earlier years.<sup>4</sup> The real objective of national policies for agriculture, whether properly or accurately expressed or not, is to maintain the standards of living of farm people at least at the levels acquired during the more prosperous period described earlier.

National and other public policies for agriculture have over-emphasized both the economic position of the industry and economic income of the individual, which probably follows the assumption just mentioned, that economic improvement is an adequate, sufficient, and economical means of maintaining desirable standards of living. There is, however, another and perhaps more efficient method of conferring economic benefits. Individual economy consists of producing and selling products and personal services and of purchasing goods and services for the satisfactions desired. Any services conferred, which relieve the individual from spending for such services, has the same effect as adding to income. Since the individual farmer is in a weak position in the purchase of many goods and services, and inasmuch as his judgment may not in all cases be relied upon in the selection of the most worthwhile requirements, it would be more valuable to him if the services necessary to desirable standards of living were provided, rather than providing the individual with money to purchase such services.

The conclusion is, therefore, that public programs for agriculture and rural people should place primary emphasis upon providing, at low cost or no cost, such requirements in the standard of living as are necessary to welfare and progress but which cannot otherwise be obtained. In other words, the emphasis should be shifted to worthwhile economic

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<sup>4</sup>Two conditions create this difficulty. One is the removal from rural districts of most personal service agencies, which increases distance and reduces accessibility. The other is rise in price schedules of special services. Both factors increase the cost and reduce the volume of services used by farmers.

and social services, with particular emphasis upon the human element in agriculture. Lying back of this view, it is assumed, of course, that other broad policies pertaining to international trade, transportation and marketing, conservation, and other factors relating to the economics of production and costs, will be shaped to promote the maximum growth and welfare of agriculture. There should also be planning and adjustment programs for the benefit of individuals and groups.

To make this view of the pattern of agricultural programs for the benefit of rural people a little clearer, a few examples will be enumerated. It is a well-known fact that public education is a comparative failure in rural America. We have not developed much beyond the historical local district which gives the revenues and other advantages to the populous and wealthy trade centers. This situation is costing rural people large sums of money annually and in that sense is an economic problem. Since a large percentage cannot overcome this handicap, a difference in educational training as between rural and urban populations, which generally did not exist earlier, is appearing. The country doctor has left the rural districts, and necessary health services are obtained at extremely high cost or not obtained at all. The rural recreational and social community, in many cases, is being destroyed without an adequate substitute which will preserve the desirable customs of rural life in this respect. Rural communication, while progress is being made, lacks much in adequate development. Rural housing, because of the scarcity of building materials, is going backward. If rural problems like these are left unsolved, they will, in the course of time, affect the life and character of the rural population, evolve social demarcation between rural and urban groups, and modify the relations and wholesome influences which the respective groups have had upon each other historically. Farm peasantry in the American states should be avoided at any cost. To avoid peasantry, the real standards of living of rural people must be maintained. The disadvantage of such an occurrence would not be confined to the rural group, but would be felt by society as a whole.

Public programs for rural education, health, housing, recreation, communication, and other requirements of a satisfactory standard of living, combined with directive programs of adjustment for individuals and groups made necessary by economic and social changes, as means of both preserving and

promoting the best in rural life, should begin with and be founded on the ability and resources of the rural people. The strength and value of any type of assistance, in keeping with the progress of our society to date, is in implementing and giving proper direction rather than in gifts and subsidies. Our economic progress as a nation has been attributed to our natural wealth and the ingenuity of American industry. Our social and political progress, as well as economic, might well be attributed to the balance of population elements, and particularly to the stabilizing influence of the farm population. Future progress, it may be assumed, will depend, in part at least, upon these same influences. If so, the best elements of our rural life must be preserved.

## UPSTREAM ASPECTS OF THE PROPOSED RED RIVER DAM NEAR DENISON, TEXAS

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Today the site of the proposed reservoir near Denison, Texas, is the focal point of a struggle over conflicting interests involving issues whose settlement will have an important bearing on national, state, and private rights in this country.<sup>1</sup>

Hydrologic conditions, according to Brunhes, are always among the most important of geographical conditions.<sup>2</sup> This is especially true in the Red River basin, where water resources are significant for water-supply, supplemental irrigation, regulation of stream flow to decrease floods and augment low water flow for sanitary purposes, power development, industrial consumption, recreation, and wild life conservation and control.

It is now generally recognized that drainage basins should be considered as units in all comprehensive programs for the control and utilization of water resources. The Red River rises in the High Plains near the New Mexico line and collects drainage from northern Texas, southern Oklahoma, southwestern Arkansas, and northern Louisiana, where after being joined by the Ouachita from south central Arkansas, it flows into the Mississippi some distance above Baton Rouge. It is accordingly both an inter-state river and a part of the Mississippi River system the control of which is recognized as an important national problem.

The Red River basin, exclusive of the Ouachita, includes an area of 66,108 square miles. It had a total population of 1,971,500 and an average population density of 29.8 per square mile in 1930. The area of the basin above Denison comprises 38,608 square miles,<sup>3</sup> and had a population of 890,000 in 1930. Thus the Upper Red River basin contains 58 percent of the area and 45 percent of the population of the entire basin.

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<sup>1</sup>*Congressional Record*, Vol. 84, No. 50, Seventy-sixth Congress, First Session, March 24, 1939.

<sup>2</sup>Brunhes, Jean: *Human Geography*, p. 52, Rand-McNally and Co., Chicago, 1920.

<sup>3</sup>*Drainage Basin Committee's Reports for the Red and Ouachita Basins*, U. S. Gov't. Printing Office, Dec. 1937.

The Washita, which joins the Red a short distance above the Denison dam site, is the principal tributary of the upper basin. It comprises 28 percent of the area and has 28 percent of the population of the upper basin. Other important tributaries in the upper basin are the North Fork and the Salt Fork in Oklahoma and the Wichita and the Pease in Texas.

Three partially alternative procedures are possible in controlling the flood waters of a large river basin such as that of the Red River: (1) the construction of levees in the lower valley, (2) the construction of one or more dams on the trunk channels in the middle of the basin, such as Mussel Shoals of the Tennessee or the projected Denison reservoir on the Red; and (3) head-water developments consisting of a large number of smaller reservoirs and farm ponds along with soil and water conservation practices. Engineers, both army and civil, now agree that the control of "little waters" by head-water developments is the ideal approach to drainage basin problems. Developments for the control of the Mississippi and Red rivers, however, began in the lower valleys. Investigations of the feasibility of headwater developments are under way,<sup>4</sup> but at present the giant Denison dam project is receiving the larger federal support, and will, if completed as planned, absorb the major part of the expenditures in the near future. Downstream measures have failed to solve even the local problems of the lower valley. Congressman Ferguson is authority for the statement that between 1925 and 1935, the sum of \$301,373,641 was expended for emergency flood control on the lower Mississippi but that only \$3,689,291 was spent on its tributaries. Floods in the Bassier levee district in Louisiana caused damages amounting to \$2,400,000 in 1933. More than 1,500 miles of levees have been built on the main Mississippi at a cost of \$25,000 per mile, yet flood losses in a single year have amounted to \$1,000,000 in Louisiana alone.<sup>5</sup>

The program of attack at the middle of the basin was outlined by President Roosevelt in a speech at Louisville in 1929, upon which occasion he proposed "a coordinated plan extending its ramifications solidly outward from the main trunk lines, thus eliminating the patchwork of local improvements which in past years has been the sinking of hundreds of

<sup>4</sup>*Ibid.*

<sup>5</sup>*Hearing of the Comm. on Flood control, H. of Rep., 74th Cong. 1st Sess., Feb. 14-19, 1935.*

millions of public funds."<sup>6</sup> The Denison reservoir is to be the first of ten projects for flood control and power development in that locality; the nine others are to be on tributaries and will be much smaller. Residents of the lower middle section of the Red River valley are expecting the Denison project to become the nucleus of a second T. V. A.

The Denison dam and reservoir project, as originally planned, called for a giant dam 2.9 miles long and 195 feet in height above the bed of Red River. In order to meet objections arising from the expected flooding of lands and utilities, the height of the proposed spillway has now been reduced 20 feet. The project proposes the control of floods in the lower valley and the generation of hydro-electric power. The cost of the project has been put at \$55,000,000 which includes \$7,000,000 for acquisition of lands flooded and \$3,000,000 for relocation of service lines. Of the total cost, army engineers charge \$38,250,000 to flood control and \$16,750,000, or 30 percent to power development.<sup>7</sup>

Since the hydro-electric power output is expected to be only 14,000 kilowatts, or enough to supply a city of 25,000 to 40,000 persons, which will be too little to materially influence power rates; and since there are now billions of tons of coal reserves and many idle miners in the region; and since vast quantities of natural gas are available in nearby oil fields, much of which is being wasted incident to oil production, it is evident that reduction of floods downstream is the only significant economic advantage to be expected from the project. However, only the upper 40 feet of the 175-foot reservoir has been assigned to flood control. Evidently a relatively small dam would be equally effective in the control of floods. There will be practically no benefit from the project to the 38,608 square miles of territory and 890,000 residents of the upper basin, while the impounded water will destroy 303 square miles of agricultural land and the towns of Woodville and Aylesworth in Oklahoma and Hagerman in Texas. More than two-thirds of the land to be inundated is alluvial bottom and terrace-land, much above the average of the region in fertility.

Of the land to be flooded 84 per cent is in Oklahoma and 16 per cent is in Texas. Approximately half the area is in Marshall

<sup>6</sup>*Harlow's Weekly*, Oklahoma City, Nov. 21, 1929.

<sup>7</sup>Johnson, Harold M. in *The Daily Oklahoman*, Oklahoma City, March 19 and April 2, 1939.

County, Oklahoma, which is bordered by both the Red and Washita rivers and will be heavily damaged, losing over one-fourth of its tax revenues.

Transportation and communication will be seriously interrupted by the waters of the projected reservoir, which will back up Red River more than fifty miles and Washita nearly as far and will flood numerous tributary valleys. Major routes will be affected less than might be expected, since the major north and south routes do not cross the area because of the main mass of the Arbuckle mountains lying directly to the north. The principal east-west route lies south of the site of the reservoir in northern Texas. The Red River arm of the reservoir, extending east and west for an airline distance of 30 miles, will constitute a much greater barrier to north-south traffic than the present Red River, while the Washita arm, along with that of a flooded north-flowing tributary of the Red, will extend from Tishomingo, Oklahoma, to near Sadler, Texas, a distance of 37 miles. The continuous effective barrier to east-west traffic, however, will be only 27 miles in length, as a railroad and highway bridge will be built about ten miles south of Tishomingo where the Washita arm of the reservoir narrows to two miles. Altogether, the various arms of the reservoir will make necessary the abandonment or rebuilding of 64 miles of railroads on five different routes, eight portions of state and federal highways, and many miles of pipe, power, telegraph, and telephone lines.

The most important geographical aspects of the conservation and control of the water resources of the Red River basin as a whole, and of the Denison project in particular, are the climatic, physiographic, and land-use conditions of the upper basin which determine the volume, regimen, and silt load of the Red and Washita rivers. The annual rainfall declines rather regularly westward from 37 inches at Denison to 21.59 inches at Amarillo, Texas, near the source of the Red River on the High Plains.\* The rainfall, however, is extremely variable, so that the upper basin is a region of both drought and flood. Nine inches of rainfall in twenty-four hours has been recorded at Amarillo. Lawton, Oklahoma, which may perhaps be taken as indicative of the rainfall characteristics of the upper basin, receives normally 31.51 inches of rainfall, but the yearly

\*United States Weather Bureau: *Climatic Summary of the United States, 1930.*

rainfall has varied from 48.84 inches in 1919 to only 16.07 inches in 1907. The rainfall of the wettest month (May) averages 5.06 inches, but has varied from .07 inches in 1886 to 15.65 inches in 1905. Low humidity, high wind velocity, and high summer temperature cause evaporation from the surfaces of reservoirs in the vicinity of Lawton to be more than double the annual rainfall. As a result the water-table is low in the upper basin and streams are intermittent except where occasionally fed by springs.

The surface of the upper basin slopes steeply eastward, from an altitude of 3,676 feet at Amarillo to one of 350 feet at Denison, and is underlain for the most part by weakly consolidated and easily eroded Permian red-beds. As a result, under prevailing practices of land utilization, erosion and filling of reservoirs is rapid. Overgrazing in dry years depletes the vegetative cover leaving the surface exposed to erosion at times of heavy rainfall. Engineers have estimated that the Missouri, a plains stream somewhat comparable to the Red, transports 555 million cubic yards of sediment per year, 26 per cent of which was estimated to have come from the bad-lands comprising only 3 per cent of the catchment area.<sup>9</sup> The upper Red River basin has a somewhat comparable area of breaks lying between the High Plains cap-rock escarpment and the 100th meridian. The limited cultivated areas in this section, which comprises more than seven large counties, were almost exclusively (95.3 per cent) devoted to row crops in 1930. Nine rather hilly counties lying east of the breaks between the 99th and 100th meridians had an average of 70.3 per cent of their cultivated area in row crops for the same year. No data are available as to the silt discharge of the Red and Washita rivers, but there can be no doubt that silting will render the period of usefulness of reservoirs in the lower portions of these plains streams short lived. Lake Worth on the Trinity river, which is somewhat comparable, was built in 1915 and was found by Taylor 13 years later to be more than one-fourth filled by silt.<sup>10</sup>

Soil conservation practices in the upper basin may be

<sup>9</sup>Sherman, A. E.: *Relation of Forestry to the Control of Floods in the Mississippi Valley*. Seventieth Cong., Second Session 1929, House Doc. No. 573. pp. 44-45.

<sup>10</sup>Eakin, Henry M.: *Silting of Reservoirs*. U. S. D. A. Bul. No. 524, 1930, p. 9.

expected, in a measure, to control erosion and reduce the silt load. On the other hand, they will also increase ground water storage and transpiration losses, while the construction of head water ponds and reservoirs will increase evaporation losses, thereby reducing the flow into the reservoir.

Upper Red River, like other streams of the plains region has characteristics intermediate between those of the rivers of the humid east and the arroyos of the arid west. Among the more important characteristics of the plains type streams are great and abrupt fluctuations in volume, dropping at times to a very low minimum, if not a complete cessation of flow. Some years may pass without any floods, while during other years two or three floods may occur, causing great damage. These "rivers" have wide alluvium-floored, often sand-choked, channels and low banks. Their enormous silt loads, when in flood estimated at 3 per cent by volume in case of the Missouri, form islands and favor lateral planation, with the consequent destruction of fertile bottom lands and bridge foundations. Bridges in numerous instances must be extended or rebuilt over newly established channels.

The flood channels of these plains type streams are very wide and unlike those of humid regions, which normally increase in width downstream, as is shown from the following table based on data collected by W. C. Burke, showing the distance in feet across the valley subject to overflow for five Oklahoma rivers at upstream and downstream highway-crossings.<sup>11</sup>

<i>River</i>	<i>Upstream</i>	<i>Downstream</i>
Arkansas	6100 (Kay Co.)	1850 (Wagoner Co.)
Cimarron	3900 (Major Co.)	1300 (Pawnee Co.)
North Canadian	3500 (Canadian Co.)	1700 (McIntosh Co.)
South Canadian	3200 (Canadian Co.)	2600 (Haskell Co.)
Washita	3800 (Custer Co.)	1800 (Grady Co.)
Average of all rivers	4100	1850

Burke has estimated that 165 of the 270 miles of Washita valley-land in Oklahoma is subject to overflow affecting 53,000 acres. Other tributaries of the Red River were estimated to flood some 56,000 acres. The annual loss to land owners in Oklahoma was estimated by Burke to be from 10 to 15 million dollars, while the annual loss to states, counties, cities, rail-

<sup>11</sup>Burke, W. C.: Unpublished data compiled for the Oklahoma Commission of Reclamation, Irrigation and Drainage.

roads, and other public utilities was put at 5 to 10 million dollars.

These characteristics of streams traversing the western two-thirds of the plains-border states are projected downstream into the humid region. The thick deposits of alluvium beneath the stream beds, along with the characteristics enumerated, make it apparent that the impounding of water by means of dams, such as the proposed Denison dam, is a costly and hazardous enterprise. Many tons of test samples from the Denison dam-site have been sent to laboratories for examination, and exploratory work is still in progress. The fact that nearly a million dollars has already been spent in preliminary surveys and investigations make it apparent that site conditions there are far from ideal.

The above considerations relative to the dam-site, the reservoir-site, and the upper basin conditions suggest that it might perhaps be wise to abandon the hydro-electric phases of the Denison project and initiate surveys to determine the benefits which may be anticipated from an expenditure of \$16,750,000 of public funds for reservoir and hydro-electric power developments on the Kiamichi, Mountain Fork, or other tributaries of Red River in the Ouachita Mountains where abundant rainfall, evenly distributed throughout the year, and a protective forest cover provide at least two favorable geographic factors. How much of the flood control phases of the Denison project should be retained is a question for engineers to determine after the seriousness of silting in the Denison reservoir and the benefits to be derived from the construction of a considerable number of smaller reservoirs and tens of thousands of farm ponds at the heads of tributaries throughout the upper basin has been estimated by careful surveys.

In conclusion, it seems not out of place to remark that cultural features, no less than life forms, to long succeed, must be in harmony with the environment. Environmental conditions in the western half of the plains border states are so unlike those in which our cultures evolved that we may well assume that, in the case of transplanted and unaltered cultural features, what ever is, is wrong.

## AN ANALYSIS OF RECENT AMERICAN LIBERALISM

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Liberalism is a word which has been redefined in many settings and adapted to many different contexts. In the multifarious connotations this word has been made to convey and the variety of systems it has been used to justify, there can be discovered, however, a certain permanent content of meaning and a certain irreducible residue of spirit. Among the many modern armies of political crusaders and flag-pole sitters which claim the banner of liberalism, it is possible to sort out those having a valid claim to this heroic emblem only by patiently identifying this permanent inner spirit of liberalism and comparing the programs of those who use its name, with the true inner elements of liberalism itself. This is no easy task. Many great thinkers and laborious scholars have devoted whole volumes of carefully reasoned pages to unraveling the various patterns into which the escutcheon of liberalism has been woven.<sup>1</sup> The present discussion is offered only with the hope that the more significant meanings of these studies may be clarified, so they may be more readily perceived.

The nearest thing to a satisfactory definition of a liberal order is one in which the institutional arrangements are designed to offer individuals the best possible opportunities for self-development provided by any particular society. On the spiritual side liberalism is inextricably bound up with that concept of human beings which regards them as capable of positive development, capable of growth of mentality and character and capable of positive and beneficial participation in the determination of their opportunities and responsibilities. Rightly understood liberalism steers clear of the pitfalls in which those who advocate mechanistic concepts of society are trapped, *e. g.*, the predestinationists, the classical economists, the communists and the behaviorists. Likewise liberalism steadfastly refuses to fall into the moral morass where wallow those philosophers and societies which agree to an organic interpretation of society but insist upon the natural, right-

<sup>1</sup>L. T. Hobhouse, *Liberalism*, (Home University Library)

Harold J. Laski, *The Rise of Liberalism*, (N. Y., 1936)

Guido de Ruggiero, *The History of European Liberalism*, (N. Y., 1927)

ful and permanent inferiority of certain categories of men. Morally, liberalism holds firmly to a high, fine, noble and generous interpretation of humanity. Socially it insists that society is obligated to offer the best possible conditions for human growth into a realization of these generous and noble possibilities. Politically it has believed that these conditions cannot be achieved unless all members of society participate in the determination of these conditions. Liberalism good-naturedly refuses to be moved from the position that history indicates very strongly that societies ruled under any other ideal and any other system for very long have, in the last analysis, been ruled in the selfish interests of the rulers rather than in the interests of humanity.

Liberalism does not have to invoke any mysterious super-human process to support its beliefs. It does not have to resort to any inhuman law of supply and demand, made beneficent by some occult alchemy beyond human reach, to justify a particular economic order. Neither is it forced to lean upon any inevitable sequence of economic crises and class struggles, made magically beneficent by the abolition of private property. Still further it need not lean upon any mystic religious appeal to divine love which paradoxically seeks to justify predestined punishment, nor occult explanations of humanity which regard it as merely a bundle of tendencies reacting automatically to various stimuli. Liberalism clings tenaciously to the logical and demonstrable notion that humanity is in the process of becoming what it is to become, that what people do now is training for what they are to be and that they themselves may participate positively and consciously in the process. Liberalism regards as a delusion the justification of any social order by the insistence that men are suddenly changed into something entirely different from what they have been. Liberalism sees that the practice of injustice, cruelty, stupidity and ignorance, in the belief that they are temporarily necessary in order to achieve some ultimately good end, merely conditions men for the practice of still greater cruelties, stupidities and injustices. In short liberalism in its spiritual aspect is the moral guide of the everyday, the simple, the ordinary, the commonplace, the understandable, the logical, the demonstrable, the supremely human and perfectly natural things of our world.

Properly seen there is no logical contradiction between ends

and means in liberalism, for earlier ends readily become later means to new and higher ends, which in their turn may become means to still greater ends. Liberalism is prepared to understand and adopt the Polynesian myth, with all the profundity of its insight into the spiritual essence of human development, which says that a god is only a god when he is given form, but that once he is given form he begins to die. Liberalism is not identical with any mechanical concept of democracy, though the two appeared in close proximity and rightly understood are probably never far apart. Democracy is a mechanical process without aims; liberalism points it toward high and noble ideals.

Liberalism does not restrict itself to any particular economic system. Historically liberalism appeared as a protest movement against feudalism and mercantilism. Consequently it became associated with the economic dogmas which were used in justification of a new economic order. This has led naturally, but unfortunately, to the identification of liberalism with the economic system which accompanied its appearance. This identification is nothing more than a confusion of a temporary technique, employed by liberalism, with the substance and spirit of liberalism itself. The foundations, for the type of society liberalism hoped to see develop, could certainly not be laid so long as the precepts and practices of a society based upon status and authoritarianism occupied the field.

Liberalism at the outset necessarily set itself to the task of the modification and if necessary the overthrow of this order. Its negative aspect, as an opposition and protest movement, was foremost for centuries. It sought everywhere to knock off fetters, clear away obstructions, strike away shackles, which hindered the growth and development of mankind; it was iconoclastic; it was a criticism, even at times a revolutionary criticism. Its task was to clear away all special privilege not resting upon special excellence for only thus could society establish the optimum conditions for individual self-development. With a widening horizon of the world's geographical frontiers and an expanding industrial system the technique or the means of *laissez faire* in economics and the demand for increasing popular participation in the political field seemed to offer the best possibilities to liberalism for the achievement of what it sought.

The costume of *laissez faire* was the one that liberalism

wore through most of its role in the American Revolution. The experience of the colonists with government was limited in the main to a struggle, more than a century old, with despotic colonial governments, dominated by colonial governors not appointed by nor responsible to the people they ruled. It was only natural, therefore, that the philosophy of John Locke and that of the Declaration of Independence should be similar. The men who made our Constitution, however, were primarily practical men rather than thoroughgoing idealistic liberal philosophers. The political and economic possibilities of America's future had begun to dawn upon farseeing men. Not only could be seen the probable future need of various types of social control but also the immediate need of such control in order to overcome the evils of our critical period. Thus it came about that any thoroughgoing philosophy of *laissez faire-ism* was not the instrument of the makers of our federal Constitution, nor the document they made.<sup>2</sup> If the doctrine of *laissez faire* is identified with our Constitution it is the work of subsequent actors and events and not the work of the framers.

The real problem to them, which has remained the real problem on down to our time, was that of how much government control by which groups for what purposes.<sup>3</sup> The frontier, however, was too strong for the feeble voice of an early American social conscience. So long as the frontier remained it was too easy to solve our social and economic problems by letting them alone. It was a resort to which everyone could fly who sought to escape the necessity for social control of social problems and the development of a political conscience which must go with this control.<sup>4</sup> Wars, tariffs, tax systems, the demand for public improvements all forced some measure of social control upon the American economic system, but above all this *laissez faire*, the triumphant paean of the successful businessman, had become our national anthem.

Despite its tremendous repercussion upon the habits of mind and life of America the frontier could not always be

<sup>2</sup>Charles A. Beard, *Little Alice Looks at the Constitution*, New Republic, July 22, 1936

<sup>3</sup>Letter from Jefferson to Rev. James Madison, Fontainebleau, France, Oct. 28, 1795, *Writings of Thomas Jefferson*, (Ford ed.), Vol. 7, 35-36

<sup>4</sup>Alexander Meiklejohn, *What Does America Mean?* (N. Y., 1935), P.

with us. By the beginning of the twentieth century it had entirely disappeared except for isolated patches.<sup>5</sup> An era in American history terminated with the disappearance of the frontier. The whole character of the American scene had undergone a profound change. As early as 1850 in Europe Herbert Spencer demonstrated beyond all logical question that the arguments against government activity in the fields of charity, education and sanitation are the same as those against such activity in every other field. It would seem to follow from this that once the validity of the demand for governmental action in any field is admitted the whole discussion ceases at once to be one of economic and political theology and becomes one of expediency and practical considerations.<sup>6</sup> America, however, continued with the ideal of *laissez faire* across the very threshold of the twentieth century.

It is impossible to evaluate truthfully the temper of a country, but it will probably not be too much to say that up to the great depression a majority of Americans believed the economic system they had developed was consonant with the ideals of liberalism. There were, of course, dissenters,<sup>7</sup> but their dissents were not widely heard nor generally understood prior to the recent depression. The depression made it apparent that a *laissez faire* economic system does not always result in passing around enough property and purchasing power to all, particularly in an industrialized and consolidated society, to make available to them the type of individuality liberalism insists should be within the scope of their development.

"What is wrong with the ideal of 'rugged individualism' is simply that it provides individuality for too few individuals. There is nothing else wrong with it, but that is enough. In itself it is surely good for men to own property and surely good to have the accompanying sense of power. It is good because it feels good. No other test need be here invoked for goodness. But the privation of those who do not own property is bad for exactly the same reason. It feels bad. And this general privation does, and must, attend that concentration. The trouble, then, with the ideal is that it is too narrow. We repeat, however that that is trouble enough for an ideal

<sup>5</sup>F. J. Turner, *The Frontier in American History*, (N. Y., 1920), pp. 1-38.

<sup>6</sup>Herbert Spencer, *Social Statics*, (N. Y.), pp. 144-155; 156-187; 200-220.

<sup>7</sup>W. J. Bryan, George Norris, Henry George, Lincoln Steffens, Thorstein Veblen, Norman Thomas, Theodore Roosevelt, Eugene V. Debs, Laidler, Woodrow Wilson and others.

of justice. Rugged individualism is self-contradictory. Though we want this kind of ruggedness, we cannot all have it."<sup>8</sup>

Under circumstances like these to insist that the freedom for which liberalism would fight is the freedom of the market place is to admit in the back door by implication "the immutable, beneficial and fruitful inequality of mankind," which is not liberalism. To the group of individuals, asserting such a concept of economic liberalism for fictitious corporate individuals, on the one hand, which results in an illiberalism for personal individuals on the other, belong such as Herbert Hoover, Ogden Mills, James Truslow Adams, who occasionally seems to think better of himself, and even, alas, Walter Lippmann. Walter Lippmann is a real loss to the liberals because he has long been regarded as outstanding among their ranks. In his most recent book when he is faced with the impossibility of *laissez faire* in a highly integrated society he resorts to a vague escape by agreeing that business enterprise should be broken up and turned back to a time when our disintegrated governmental system could cope with it and individuals all had a real opportunity to win in the economic struggle. When it is pointed out that this also is impossible he escapes grandly into an invisible nothingness.<sup>9</sup>

Another group which demands our attention is that group which asserts its faith in the new capitalism. They point out the increasingly widespread ownership of stock in small blocks, the widening breach between managership and ownership and the movements toward stabilization and consolidation. These they say produce managers who have no motives for exploita-

<sup>8</sup>T. V. Smith, *The Promise of American Politics*, (Chicago, 1936), pp. 14-15. See also Edwin G. Nourse and Associates, *America's Capacity to Produce*, and Leven, Moulton and Warburton, *America's Capacity to Consume* (N. Y., 1934), F. W. Coker, *American Traditions Concerning Liberty and Property*, *American Political Science Review*, February, 1936, and *Report on Economic Conditions of the South*, Prepared for the President by the National Emergency Council, (Washington, 1938).

<sup>9</sup>Herbert Hoover, *The Challenge to Liberty*, (N. Y., 1934)

Ogden Mills, *Liberalism Fights On*, (N. Y., 1936)

James Truslow Adams, *The Living Jefferson*, (N. Y., 1936)

For one of Mr. Adams' better moments, see *N. Y. Times Magazine*, January 16, 1936.

Walter Lippmann, *An Inquiry into the Principles of The Good Society*, (Boston, 1937). For analysis see review by Lewis Mumford, *The New Republic*, September 29, 1937.

tion of labor or consumer, managers who have won their jobs by merit, who are salaried workers recruited from all elements of our society and who have been educated by the times to introduce into the economic system all the elements of social control needed. This group is composed largely of practical men who ordinarily say what they mean. Their aim is prosperity, not liberalism, nor are they liberal idealists. In essence they say: "Stabilize tax burdens, labor costs and material costs and then turn off the machinery of democratic government and we will make the country prosperous."<sup>10</sup> To the extent that they really say what they mean, their point of view demands respect and merits attention. They are realistic enough to see that society must acquire some sort of general moral discipline, which will restrain dissident elements during hard times in the struggle toward prosperity. Particularly are they concerned over some sort of social discipline to be imposed upon labor and upon education. The exact nature of this moral discipline is apparently still vague in their minds. They recognize that economic planning and stabilization are the real vital internal problems of our economic system and rarely talk in the anachronistic terms of individualism, frontier psychology and *laissez faire*.

These advocates of a new capitalism are not definitely nor intentionally illiberal and there is in America probably some validity to their claim of the development of a new, efficient and socially conscious managerial group. The difficulties in the path of reconciling this group with liberal idealism are mainly two. The first gravitates around the question of the extent to which democratic consent can be gained to the idea that trusting the new industrial captains will serve the ideals which liberalism holds for the average individual. There is no doubt that tremendous effort and expense are engaged in an unprecedented campaign to win popular favor for this notion; witness the large number of posters on this subject which have blossomed out all over our nation in the last year. The second difficulty is closely connected with the first and is the simple question of how prosperous these industrial

<sup>10</sup>Lamont du Pont, speech to manufacturers congress, N. Y. Times, December 8, 1937; The Swope Plan for Stabilization of Industry, see Beard, *America Faces the Future*, (N. Y., 1932), pp. 160-185; Berle and Means, *The Modern Corporation and Private Property*, (N. Y., 1933), pp. 352-357

captains can really make America and the extent to which this prosperity will be passed around and will be lasting. This in turn depends partly upon the social vision of the captains themselves and partly upon world economic conditions (wars, depressions, famines, bank failures and financial crises in other countries) which are only to a small degree within the control of these industrial leaders. If America could enjoy widespread prosperity then liberalism might live happily and indefinitely with such a new socially conscious individualism. If, however, due to unfavorable world economic conditions, or lack of vision on the part of industrial leaders, America should not be prosperous, what would be their answer to the demand for social control through the agency of government? Indications are that their frame of mind would be altogether too much like that found by Calvin Hoover among the German industrialists in 1932.<sup>11</sup>

Certainly the businessmen are much more realistic than the so-called philosophers they sometimes hire to sell to the American people a philosophy consonant with their business ideals, at so much a word in syndicated columns and radio broadcasts. These writers and speakers engage in the most excruciating contortions to prove that liberalism and rugged individualism are identical, that democracy and capitalism are inseparable and that a complex and industrialized America can consider modification of the frontier philosophy, by which it was ruled a half-century ago, only at the risk of becoming "un-American." This type of thinking faces the same difficulties that predestinationists of an earlier age faced when they engaged in trying to prove a beneficent god and foreordained punishments at the same time with the same loss of immortal souls as just retribution for foreordained misdoings. To this unhappy group of hair-shirt wearers belong Samuel Crowther, David Lawrence, Roger Babson and Mr. W. J. Cameron of Ford Motors. Engaged in the task of proving that *laissez faire* is identical with liberalism and democracy, despite the widespread accompanying distress of economic depressions, because the unseen beneficent hand of competition (the unseen hand of a beneficent god who inflicts foreordained punishment) lurks in the background to convert all this into good by some occult process, they have

<sup>11</sup>Calvin B. Hoover, *Germany Enters the Third Reich*, (N. Y., 1933), pp. 3-9

become so entangled that no philosophical or practical path can be found out of their maze. In the worship of certain tools and ceremonies which liberalism found useful in a past age and still may employ occasionally to a limited extent, they have entirely lost sight of the great basic ideals upon which liberalism is founded.

This is the sort of liberalism against which the fascists and the communists level such telling criticisms. Some sort of social regulation by political authority is inevitable and has always existed. On this both the communists and the fascists agree.

*Laissez faire* insists that the sum total of all the selfish interests of society piled up in a heap will equal to the best interest of all. With everyone concentrated upon his own material selfish interests morality is left to take care of itself with the result that a confusion of ideals and morals appears. It was this moral confusion which made possible the world war, from which the civilized world is still recoiling in fear and revulsion. Now the fascists and communists point out justly that this sort of chaos is a luxury which only prosperous states can afford. States faced by serious crises must either develop some sort of general moral discipline, or else take the easy way out and impose a general discipline by force, which latter method has appealed to the dictators of the masses and the dictators of the classes. This much is certain, however, that if by liberalism we mean only agreement upon the freedom of all to pursue material advantage, free from the social controls which society may impose through the state, then liberalism is indeed a luxury which the states of our crisis-filled world can no longer afford and is, as its critics say, an outworn and impossible creed. In short liberalism faces the alternative of perishing, at least temporarily, or developing some sort of general moral discipline, but *laissez faire* is a road down which no sort of moral discipline nor consensus of ideals nor philosophical agreement of any kind whatsoever is to be found. Liberalism cannot consistently argue for economic regulation and absolute personal freedom at the same time. Both must submit to some social discipline. All liberalism can hope for is that the consensus on which this discipline must be based will be liberal.

Attention will next be directed to a group of pragmatic liberals composed mostly of young lawyers and administrators

who have attached themselves to the New Deal.<sup>12</sup> These men criticize with telling cleverness and logic an ideal of democracy, equality and justice which results in so much inequality and injustice. This they do on the basis of the argument that the old order is surrounded with so much priestly incense, mythological symbolism and theological thinking that there is no room for practical acts. Thus it is said that industrial and agricultural surpluses could not be distributed to the starving because in the theology of our system this was supposed to destroy a mysterious thing called the initiative and moral fiber of the race. " . . . . It was thought better to humiliate the unemployed or to waste natural resources rather than take steps which would change the 'capitalistic system'."<sup>13</sup>

The idealism in such criticisms is implied by the obvious belief of the author that he thinks it is better to feed the hungry and to use natural resources. These young pragmatic liberals have ignored the ancient and grisly question: Why not let the starving starve? Upon what basis is one to assume the task of feeding the needy except upon the basis of the implicit idealism they have scorned? Would it probably not be the technique of a more practical pragmatism to let them die and leave society without the burden of their support? In order to answer such a question, appeal must be made to some fundamental scheme of justice or morals or interpretation of human psychology which shows society to suffer from such horrible experiences. This, however, is not pragmatism, it is idealism; it is not practical, it is moral. If one is to justify such acts of mercy as feeding the needy the problem involves not too much theology but too little and a moralistic order too little refined, which will permit such

<sup>12</sup>Ferdinand Lundberg, *The Legal Profession*, Harpers Magazine, December, 1938

No disrespect is meant by the use of the name pragmatic liberals. There are undoubtedly many able men among the ranks of the New Deal liberals and they have achieved many useful and practical things in a depression-weary America. The name is used because, so far as can be discovered, they have developed no profound moral and philosophical justifications of their actions. Thurman W. Arnold appears to be their most able and most brilliant expositor and therefore he is singled out for consideration as representative of the group.

Thurman W. Arnold, *The Symbols of Government*, (Yale University Press, 1935) and *The Folklore of Capitalism*, (Yale University Press, 1937)

<sup>13</sup>Thurman W. Arnold, *The Folklore of Capitalism*, p. 15

things to occur. The scholar must view the claim of contemporary pragmatists, to an immediate pragmatic justification of mercy and justice, across the bloodstained pages of history where for every merciful pragmatist, hundreds of pharaohs, tyrants, Caesars and princes may be seen who have seized power and historical fame down avenues paved with the bones of the thousands of their victims, avenues resounding with their age-old cry: "Let the masses die!" All this is done on the basis of the same pragmatic arguments which are now advanced as grounds for opposition to theological arguments, which temporarily are not sufficiently refined to include a new ideal of justice and mercy. In substance then, the new pragmatic liberals have offered many practical techniques which liberalism may employ with profit, but have done little to nourish the tender shoots of a new liberal moral consensus, which even now a careful observer may discover growing slowly among the ruins of the old *laissez faire* altar which liberalism has overthrown.

The socialists, who are thus left for final consideration, display a more considerable and consistent body of philosophy and a more enduring ideal of social life than any group considered in this paper, except perhaps the earlier *laissez faire* liberals. "But a word like Socialism has many meanings, and it is possible that there should be a Liberal Socialism, as well as a Socialism that is illiberal."<sup>14</sup> On the mechanical side it may be generally accepted that socialism means government ownership and operation of the instrumentalities of production and distribution. For purposes of simplification it can be said that up to the time of the world war the socialists were divided philosophically into two camps: the revolutionary and the evolutionary socialists. Since the world war has been added another group, the national socialists, or fascists. At the outset this socialism is a sort of government partnership with business established in order to keep political power in the hands of businessmen when they are threatened with the radical possibilities of democracy. It thus commences as a reactionary socialism, but displays potentialities of becoming a revolutionary socialism under the pressure of economic necessity.

The revolutionary socialists hope for the establishment of a classless state in a sort of utopian democratic anarchy. The means which they would employ, however, disqualify them

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<sup>14</sup>Hobhouse, *op. cit.*, p. 168

from any valid claim to liberalism. They would accomplish these ends by hatred, bloodshed, destruction and violence. In order to imagine that these most cruel and illiberal means can accomplish a utopian distortion of liberal aims they must resort to the occult, or return delayed and abashed to the hard commonsense path of liberalism. A belief that some occult process will transform such means into their opposites merely because of the abolition of capitalism and private property is historically untenable and a belief not shared by liberalism. If the revolutionary socialists insert many decades, instead of a few years, between the consummation of the revolution and the realization of their idealistically misunderstood liberal aims they return to the hard path of liberalism and can no longer claim any debt to revolutionary socialism.

The national socialists are so frankly scornful of liberalism and the simple everyday world in which it lives that they exclude themselves from any claim to liberalism at the outset. They believe in hierarchy, in obedience without understanding, which is fundamentally destructive of growth; they believe in the beauty and nobility of violence, hatred, death and cruelty. The liberal demand for participation of all citizens in the determination of responsibilities and opportunities finds nowhere an echo in their philosophy. They believe in inequality and rate human beings at their lowest animal common denominator. The national socialists use brutish means to obtain brutish ends and the individuals developed in such societies would probably be too brutish to live in a liberal society.

This is sufficient to illustrate that the mere technique of government ownership and operation by itself is not necessarily liberal. It now remains to consider whether or not this technique is necessarily illiberal, as its opponents now so loudly proclaim.<sup>18</sup> There appears nothing in the device of public ownership and operation, just as there appears nothing in the device of private ownership and operation, isolated from any par-

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<sup>18</sup>"We can have a free country or a socialistic one. We cannot have both. Our economic system cannot be half free and half socialistic." Ogden Mills, *Liberalism Fights On*.

"Could anything be more impercipient than that? Not only do we have what Mr. Mills says cannot be, but such a middle course is, when seen objectively, just the desideratum of a democratic society." T. V. Smith, "Political Liberty Today," *American Political Science Review*, April, 1937

ticular set of circumstances, which has any relation to liberal ideals one way or another. This device is open to liberalism to use whenever it can be used in such a way as to forward the ends which liberalism holds. This will be true only when the members of a society indicate their belief that the technique of government ownership and operation offers them better opportunities of growth and development toward fine traits of character and a wider participation in the fine things of our world, than some other technique. A society operating on the principle of consent and participation would be likely to present a picture of many different kinds of property existent in the same society at the same time. Only when an industry became so concentrated and monopolized that majority determination of rights and responsibilities felt itself impeded by minority control of such an industry would the device of public ownership and operation be likely to secure the consent of such a society. If a careful examination of the history of America is made from the Civil War down to the present just exactly such a development is seen to be its central theme.

The significance of this development does not seem to have dawned upon most of the socialists themselves until after the Great War. If socialism adopts democratic means, government ownership and operation will be adopted only when majority consent can be gained for this device. A long drawn-out process of step by step development in this direction will follow in highly industrialized and consolidated societies. Perfect socialism becomes the ultimate and probably never entirely attainable end of a long series of varying forms and degrees of social control. This means that the socialists must turn their attention from the idea of a mechanical blue print for the political and economic order and fix their attention on the road by which social control should be achieved and the ends for which it should be used. There are many indications that the socialists have realized the necessity for turning to a consideration of how social control should be imposed rather than to sales talks on the merits of their hoped-for utopia.<sup>10</sup> Even a casual examination of contemporary socialist writings will reveal that socialism and social control are gradually merging.

<sup>10</sup>Edward Bellamy, *Looking Backward*, (N. Y., 1898). This idealistic socialist might arrive at his utopia by some occult cataleptic process, but modern socialists must find some more realistic and understandable approach.

This is true because democratic industrialized societies are turning to socialism as the technique demanded by democracy for the imposition of social control upon highly integrated and consolidated enterprises, while the socialists are realizing that varying types of social control may be a long and necessary prelude to government ownership and operation.<sup>17</sup>

The socialists apparently now recognize not only the inevitability but the wisdom of discarding revolutionary techniques in favor of the use of any and all types of social control of which democracy will approve.<sup>18</sup> Unfortunately for the socialists, however, the spiritual and moral aspects of social control have been in America, at least until recently, almost entirely neglected. The results of such a neglect can readily be seen in the sad fate of German socialism. There the fact that there was no generally accepted understanding of liberal ideals left the road open for the overthrow of democracy and liberalism by the minority who controlled the country, when they were faced with the alternatives of social control by a democratic majority or social control by an undemocratic minority. They chose the latter and thus national socialism was born.

The examination of socialism has led to the indication that socialism not only can be squared with liberalism, but that socialism sounds more like modern liberalism than any movement so far examined. The spiritual and moral aspects of socialist doctrine, however, demand further attention. It is

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<sup>17</sup>Harold J. Laski, *Democracy in Crisis*, (Chapel Hill, North Carolina, 1933), pp. 199-200

<sup>18</sup>H. W. Laidler (ed.), *Socialism of Our Times: A Symposium*, (N. Y., 1929), p. 4

Thus the appearance in America today of all types of property: private ownership of personal effects, zone and fire regulations for homes, license and traffic regulations for cars, health and safety regulations for small business, franchise and semi-public regulations on public utilities, outright government ownership and operation of army, navy, post office, public schools, and highways; seems both intelligible and desirable in the light of such an interpretation. Likewise in the light of such an interpretation the apparent fact that the work of our society (labor, technical tasks, distribution and sales, professional services) is now done by a vast army of salaried and wage earning people becomes not only understandable but hopeful. Many of these doubtless would be pleased to perform these same services as government employees because of the advantages of public service.

precisely here that the socialists are weakest. No modern American socialist whose works have been examined for this paper can be more than remotely compared with the English philosopher Hobhouse, when it comes to a careful moral and philosophical justification of socialism.<sup>19</sup>

Strangely enough recourse must be had to America's few philosophical liberals to find any real philosophical justification of socialism and so far as is known these philosophical liberals are only more or less socialists, depending upon how far circumstances square socialist techniques with their liberal ideals.<sup>20</sup> In the quest for a society where individuals will have the opportunity to grow into the fullest possible realization of all their best capacities they have recognized that socialist technique may at times be useful. In their search for moral justification of a society which will produce fine individuals, they have shown that socialists must develop moral and philosophical justifications of their attractive techniques if America is to accept socialism wholeheartedly as the modern liberalism. In the process of doing so it can be safely predicted that socialism itself will undergo both practical and philosophical changes, which seems both natural and desirable.

Having come all this long and painful way to examine

<sup>19</sup>Norman Thomas, *After the New Deal, What?*, (N. Y., 1936)

Stuart Chase, *Government in Business*, (N. Y., 1935)

H. W. Laidler, *A History of Socialist Thought*, (N. Y., 1927); *Socializing our Democracy*, (N. Y., 1935); also Laidler (ed.) *op. cit.*

Hobhouse assumes that the noble capacities of mankind are proved by history and that an ideal of social justice is superior to an ideal of social injustice, as the basis for social organization. He rejects the insistence upon the permanent and necessary inferiority of certain groups of men and recognizes the state as the natural agency of democratic social control. If this leads to a socialistic organization of industry, as he indicates it may in a highly industrialized society, then socialism is his answer to the need for a new technique for modern liberalism.

Hobhouse, *op. cit.*, p. 165

<sup>20</sup>Only three contemporary publicists could be found who can be rated as liberal American philosophers: Charles A. Beard, John Dewey and T. V. Smith.

No single work of Charles Beard may be cited, rather one must catch the liberal spirit which animates all his writings.

John Dewey, *Individualism Old and New*, (N. Y., 1930); *Liberalism and Social Action*, (N. Y., 1935); also C. E. Ayres, *Dewey: Master of the Common-place*, The New Republic, Jan. 18, 1939

T. V. Smith, *op. cit.*

modern American philosophies in the light of liberal ideals it remains only to discuss one question. That question is whether or not liberalism can develop a moral and philosophical consensus strong enough to weather future storms. In the first place there can be no doubt that such a consensus is gradually developing. Every poll of public opinion reveals that it exists and is growing, and that it differs from what the newspapers, the radio, the propagandists and many of the politicians would have us believe it to be. It is as yet vague and uncertain, but it should never become too definite for then it would cease to be liberal.<sup>21</sup> Charles Beard, John Dewey and more lately also T. V. Smith have pointed out that along with the development of a liberal consensus must go a considerable lessening of economic differences, for the hatred and suspicion which arise from wide economic differences are not foundation stones upon which a liberal consensus can be built. Finally the extent to which America can be prosperous during the next decade will have a profound influence upon the hope for a liberal consensus which will be generally enough accepted to serve as the basis of a discipline of social control. Those dissatisfied with the slow development toward this essential consensus will be goaded to a revolutionary temper only if their degree of poverty is unbearable. The appearance of anything like a threatening revolutionary movement would result in the intrusion of armed force to restore a discipline which did not spontaneously appeal to the masses. If America can be prosperous for another decade and take seriously the intellectual, moral and economic elevation of its masses as its central problem<sup>22</sup> a liberal consensus can be developed which will serve as the basis for the discipline upon which a new and higher type of American civilization can be founded. If, on the other hand, America should be overtaken by another and deeper depression, which seems more than a remote possibility, and the decision between accepting the consequences of a new liberal consensus and the overthrow of democracy and liberalism should rest in the hands of the military organizations, the

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<sup>21</sup>If by a liberal consensus, however, we mean nothing more definite than indicated by Professor Holcombe, *The New Party Politics*, we can dismiss it as useless and impractical, for an ideal of social justice which has neither aims nor results is hardly an ideal.

A. N. Holcombe, *The New Party Politics*, (N. Y., 1933), pp. 131-132

<sup>22</sup>Jose Ortega y Gasset, *The Revolt of the Masses*, (N. Y., 1932)

businessmen, and extra-legal violent organizations, as it did in Germany in 1932, the outlook for American liberalism would be dark indeed. In such a case Laski's grim predictions would be more than justified: "They had in their hands the choice between peace and war. But so completely were they in thrall to the profit-making motive that, in the name of humanity, they blindly chose war, without the vision to perceive that the thing they called humanity was no other than the greed they served."<sup>22</sup> There is, however, still hope that circumstances and a new and higher ideal of American patriotism may deliver American liberalism from such an unhappy fate.

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<sup>22</sup>Harold J. Laski, *The Rise of Liberalism*, (N. Y., 1936), pp. 302-303

## CONSUMER EDUCATION IN THE BUSINESS CURRICULUM

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Among the many varying phases of education which have received increasing emphasis during recent years, perhaps none has attracted more attention than the education of the consumer. Although consumers as a group must still be considered relatively unorganized and inarticulate, certain aspects of the national administrative program of the present and recent past have stimulated a lively discussion of consumer interests and led to the formation of both official and unofficial organizations for their support. Among the most significant of the administrative measures leading to such organization, the following may be mentioned: the National Recovery Act, with the question of its effect on retail prices, and the setting up of a Consumers' Advisory Board to protect consumer interests at code hearings; the Agricultural Adjustment Act, which was felt by many to affect the consumers' purse adversely; the publication of "Consumers' Guide" by the Consumers' Council of the Department of Agriculture, at first, perhaps, to seek common support for the agricultural program and convince the public of the merits of that program but now devoting itself largely to educating the consumer along such various lines as the current prices of food, the desirable standards for sheets and blankets, and the activities of cooperative groups. A bias in favor of the agricultural interests may still be discerned in the publication. Other agencies of the government such as the Pure Food and Drug Administration, the United States Public Health Service, and, to some degree, the Bureau of Standards have contributed to consumer education.

Still more recent legislative enactments have also focussed attention on consumer interests. These include the Robinson-Patman Act, which affects large scale retail organizations by its prohibition of price discrimination between purchases of similar commodities in excess of actual differences in cost; the Tydings-Miller Act, a Federal enabling act which permits manufacturers to make resale contracts with retailers in states which have Fair Trade laws, (without fear of prosecution under the Federal Anti-trust laws); the Wheeler-Lea Act, passed in 1938, which amends the Federal Trade Commission Act to

extend the jurisdiction of the Commission to include the prevention of unfair practices in commerce as well as industry; and numerous state laws dealing with resale price maintenance, or directed against chain stores. All such legislation has given rise to discussion of consumer problems.

Nor has the national government been the only, or even, perhaps, the chief instigator of interest in consumer matters. Such prominent organizations as the American Home Economics Association, the American Association of University Women, and the Federated Women's Clubs have prepared study outlines and devoted considerable space in their publications to the subject. Commercial firms and women's magazines disseminate information from various motives. Several organizations devote their entire energies to consumer education and problems, such as Consumers' Research, Consumers' Union, Consumers' Defender, etc. Last, but undoubtedly not to be least, has been the appearance of courses in adult education as community projects, and units or whole courses in consumer education in the curricula of schools and colleges from the Junior High to the graduate school level.

These courses have appeared as the offerings of various departments and, at times, as the joint work of several, as is clearly warranted by the breadth of consumer interest represented. Frequently, the department of Home Economics has offered such a course, with emphasis on specific problems involved in the purchase of foods, textiles, household furnishings, as well as a general consideration of consumer need for protection. No department, however, is better fitted to educate the student in certain matters very essential to his welfare as a consumer than the department of Business or Commerce, and this fact is now being definitely recognized. As early as 1934, the School of Business of the University of Chicago devoted its second annual conference on Business Administration to the theme of "Business Education and the Consumer." A list of the topics discussed included "Consumer Resources and Income," "Economic Organization from the Consumer Point of View," and "The Extent to Which Business Educates the Consumer." Again, as recently as April 3 to 5, of this year, a conference on consumer education was held at Stephens College, Columbia, Missouri, with papers and addresses given by leading spokesmen for consumers' education from universities and government bureaus. Here, a full meeting was devoted to

a panel discussion of the relation of consumer education to business economics and general economics, as well as to home economics, and another session to the interrelation of consumer education and marketing, at which a question proposed for discussion was, "Should Business Favor or Oppose Consumer Education?" In addition, one round table was organized to discuss whether marketing students should be given the consumer point of view.

The function of the department of Business or Commerce in the offering of consumer education courses may be considered to be three-fold. In the first place, the students in such departments are, like all other students, present and prospective consumers, who need definite business training in order to handle certain aspects of their lives intelligently. Walter Pitkin has said that man is at his worst as an investor. Certainly courses in investment, which are normally and properly in the field of business, may be of great value to any purchaser in the investment market. Similarly, a knowledge of banking procedure, insurance, transportation, credit transactions, real estate procedure, taxation, business law, is valuable to all persons, and might well be considered necessary to the effective functioning of the intelligent citizen, since at the present time so many and various business dealings are involved in any government program. No department except that of Business or Economics is prepared to give specific training along these lines.

In the second place, the department of Business or Commerce prepares teachers of commercial subjects for our secondary schools. These in their turn will teach far greater numbers of potential consumers than will ever be reached in the college classes. It has been urged that much of consumer education can well be given at the Junior High School level, and more at the Senior High School level. To the degree that the commercial subjects mentioned a moment ago as vital in consumer education programs are presented to students in our public schools by persons adequately trained to teach them, they will be presented by the graduates of the college and university departments of Business and Commerce. Two interesting studies have been made by Professor Leonard V. Koos and a graduate student of the University of Chicago, of textbooks currently in use in the secondary schools in the fields of sociology, political science, economics, and general science, to

determine the degree of emphasis to be found in such texts on consumer education. The books were all published within the decade. The conclusions drawn from the investigation were that while texts showed varying emphasis, none was very inclusive, most were meagre, and that the subject of consumer protection received least adequate attention due to the dominance of ideals of production and profits. If the teachers of these classes are given definite training in consumer education, there will be a greater likelihood that their students will be aroused to an intelligent awareness of their interests as consumers.

It may be well to note here the result of recent investigations as to the nature of courses in consumer education which are being given in our schools and colleges. In the report of an inquiry conducted by the Consumers' Counsel Division of the Agricultural Adjustment Administration under Mr. Reign S. Hadsell, one hundred and fifty-eight college courses dealing with consumer problems and related subjects were listed. Of these, the titles of one hundred and thirteen indicated that they dealt specifically with subject matter having a decidedly home economics emphasis, such as foods, housing and sanitation, household equipment, home furnishings, clothing selection, and buying textiles. Only in the case of forty-five courses did such titles as "Economics of Consumption," "Consumer Economics," "Consumer Education," and "Consumer Buying" indicate a more general interest. Courses in such fields as investments and insurance were not included.

Another special study was made by Dr. Henry Harap of Peabody College, and reported in the October, 1938, number of the *School Review* in an article entitled, "Seventy-One Courses in Consumption." Dr. Harap stressed the fact that these courses did not include all that was being offered, but believed that they probably gave a rather definite outline of the scope of consumer education. The seventy-one included twenty-six college courses, thirty-five given by secondary schools, and ten to adult groups. He states that "At the secondary level the business department offers consumer courses most often, although it is closely pressed by home economics and social studies. At the college level, the economics department seems to have a dominant position in the field, although the department of business and home economics are also represented. In the field of adult education, the economist seems to have a monopoly."

An analysis of the seventy-one courses revealed the topics around which they grouped themselves. These were: consumer goods, consumer services, general buying problems, consumer financial problems, consumers and the government, consumer organizations. Secondary school courses emphasize consumer goods. College courses neglect consumer goods but lay stress on problems of public welfare, consumer organization, and principles of consumption. Dr. Harap noted with approval that a number of courses did not follow a textbook pattern, but used large amounts of pamphlet material which would help keep a course vital. He deplored the fact that definite laboratory material was not being accumulated in all courses.

The third motive of a department of Commerce in offering courses in consumers' education is based on the assumption that a major function of the department is to train persons who are to be actively engaged in business, whether as owners or employees, for the purpose of making profits, and that there is a considerable measure of conflict between the profit motive of business management and the interest of consumers. There is the possibility of confusion in offering the viewpoint of both the entrepreneur and the consumer. It might be argued, on the other hand, that the chance of success in business would be enhanced by an understanding of the strength of the consumer movement. Harold Brightman, Vice-President of the Bamberger department store and chairman of the merchandising division of the Retail Dry Goods Merchants' Association in an article on "The Growth of Consumer Influence in the Retail Field," remarks that retailers are awakening to the fact that attention to consumer demands is worth while, and cited as evidence of that fact, first, that the National Retail Merchants' Association, in 1937, devoted an entire evening session of its association conference to a discussion of consumer-retailer relations; and that the association, with a membership of more than 5,500 stores had published a voluntary platform for the protection of the consumer, including a resolution for the development of standards to cover grades, construction, performance, size, and durability for staple and semi-staple goods. The platform also provided for the solicitation of the National Association of Manufacturers to assist in the promulgation of standards, the development of a universal dictionary of descriptive terms to be used by manufacturer, retailer, advertiser, and consumer, informative labelling, and factual publicity in

all types of advertising. Mr. Brightman concluded, "It is not an unselfish gesture on the part of the retailer to champion the cause of the consumer. It is plain selfishness—high-minded and enlightened selfishness—the kind that in the last analysis will result in better sales and profits." If the consumer is becoming more intelligent and more interested in safeguarding his interests, the wise producer is going to take cognizance of that fact, for failure to do so may cost him his patronage. As Wilford L. White, Chief of the Marketing Research Division of the Bureau of Foreign and Domestic Commerce, expressed it in an address before the San Diego Chamber of Commerce in October, 1937, "Since we can look forward to a buyers' market for a great many years to come, it seems reasonable to start off with the principle that the consumer is going to have the last word about our business, whether it be retailing, wholesaling, or manufacturing. To the extent that this point is true, the retailers who are successful or will continue to be successful are those who recognize it and act accordingly."

Again, there is the point made by Mr. Donald M. Nelson, Vice-President of Sears, Roebuck and Company in a vigorous speech at the recent conference at Stephens College. Arguing on the affirmative side of the question of whether business should favor consumer education, he urged that if business did not cooperate voluntarily in the program of consumer protection and education, the consumer would be forced to secure protection from the government, and the resulting measures would be likely to offer no compromise to business interests.

The interests of the producer and of the consumer are not altogether antagonistic. Particularly is it true that the producer who desires to maintain high standards, as well as the consumer, is injured by unethical practices of the unscrupulous. Dr. N. R. Whitney, Economist of Proctor and Gamble, expressed this idea in a talk which he gave before a Consumers' Institute held in Cincinnati in October, 1936. He said, "Competition inevitably gravitates to the level of the least scrupulous producer unless consumers support the best producer and thus put the worse out of business. A manufacturer who is spending energy and money in an effort to establish and maintain a tradition of honest service to the consumer is fighting the battle of the consumer, and he must receive the support of the consumer if he is to survive."

But the consumer must be educated to recognize good quality and honest service to give that support. Clearly the producer of sound values has nothing to fear and much to gain from an increased intelligence among consumer buyers. When buyers fail to be impressed by exaggerated claims and misrepresentations of inferior goods, they will have more money left to buy that which is dependable.

In still other ways will the education of the consumer benefit the producer. Certain practices which are common, particularly in retailing, are large cost items and frequent sources of loss to business—such practices as elaborate packaging, delivery, permitting the return of goods, and credit. Each of these services has its legitimate place and should be provided for those who care to pay for it. Most are subject to abuse, and are so likely to entail heavy cost to the producer that he might gladly withdraw the services if the competition of his fellows did not make this difficult or impossible. If the consumer could be educated to a realization of the costs involved and persuaded that these costs must be covered in the selling prices of the goods he purchases, a very considerable social waste might be eliminated, with resulting gain to both producer and consumer.

In summary, then, it may be said that the movement to educate the consumer to an understanding of his own interests and problems has been developing with increasing momentum in the last few years; that many important phases of this education belong properly to the department of Business, and are not likely to be provided adequately by any other department; and that the department of Business has a three-fold reason for considering it its function to provide such training: first, that its students are themselves potential consumers; second, that its students will be the teachers of courses in the secondary schools where much of the consumer education work must be carried on if it is to reach the masses of the people; and finally, that the department seeks to prepare for efficiency and success in business operations, and such success can hardly be won by those who fail to recognize the significance of a major consumer movement.

## DISPLACED FAMILIES IN THE LAND UTILIZATION<sup>1</sup> PROGRAM

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At the close of the Civil War, the Commissioner of Agriculture, in commenting on the opportunities to acquire cheap land in the western sections of the country, remarked: "Who, of our young and middle-aged men, need remain at home in poverty? Our country is all before them."<sup>2</sup> Seventy years later the Resettlement Administration began its program of attempting to repair some of the damage accruing from an all-too-hearty concurrence in the idea that cheap land alone was the antithesis to poverty. In the interim most of the public domain had come into private ownership, agriculture had expanded into these new regions to an undreamed-of extent, a myriad of rural communities appeared and flourished, and pioneer farmers had developed the practice of retiring to town in their later years to enjoy a comfortable life on income from invested savings.

But there is also another chapter to the history of this short period. It records the millions of acres, once hopelessly homesteaded, which are now in the process of reverting again to the public domain; it describes the retrenchment of agriculture in areas where repeated failures have attended its ingress; it portrays the abandonment of farms and the desertion of villages; and it tells of the destruction of the soil and of the physical and economic ruination visited upon thousands of farm families who sought to escape poverty in the acquisition of cheap land. It was the fact that production potentialities of the new regions were varied and unknown, of course, and not the relative cheapness of the land, which resulted in the discriminate visitations of fortune. The finest of corn-belt farms cost their original owners no more per acre than was paid by the first settlers of the "Dust-Bowl". Mere chance, and not wilful determination based upon an accurate knowledge of conditions, led most dry-land operators to push too far into our agricultural twilight zone. And now

<sup>1</sup>This paper was read at the annual meeting of The Southwestern Sociological Society, Dallas, April 7-8, 1939.

<sup>2</sup>Isaac Newton, Commissioner of Agriculture, in *Monthly Report of the Agricultural Department*, Washington, D. C., December, 1865.

the Federal Government, which, under the pressure of many influences, facilitated a precarious settlement, and not only encouraged but insisted upon farming practices since proved unsuited, has assumed a fitting responsibility for the plight of those in distress. Ameliorative measures are now under way, involving both correction and prevention, and it is fervently to be hoped that no interruption will delay the orderly progress toward solution of the country's major land use problems.

To the people of the Great Plains, both Northern and Southern, these measures are of particular interest because there the land problems are intense, and the results of unwise land use are severe and extensive. Because of this, the land utilization program is more active and more significant in those regions, probably, than in any other, and its social consequences there are more marked. A recent development in one phase of the social aftermath to the land utilization program in the Northern Great Plains is the subject of this discussion. But, in order to place it in its proper setting, a brief review of the development of the land program will be necessary.

Land utilization, as a subject of national concern, is not of particularly recent origin, although Federal action directed toward the correction of misuses has grown directly from the period of agricultural emergency through which we lately have been passing. From the beginning of the present century, agitation for the study of the depletion of fertility and proper land use, which had been accumulating from colonial days, received increasing recognition in the national land policy.

In 1909, the Secretary of Agriculture, James Wilson, could well say: "The United States has been developing for agricultural purposes an area as large as the whole of Europe, while its population is but little larger than that of any one of several European countries. So much has fashion and sentiment had to do with this agricultural development that many of the lands, particularly in the Eastern States, have been practically abandoned, so far as profitable agricultural use is concerned, by the shifting and moving of our agricultural population into new regions in which lands are purported to be cheaper and in which the advertised inducements have been proportionately large. The great problem which faces

American agriculture today is the problem of the proper utilization of our soils and the development of our agricultural interests . . ."<sup>a</sup>

Farm abandonment, with its resulting deterioration in rural community life, is thus shown not to have been a function of Great Plains agriculture exclusively, although underlying causes have been decidedly different. In a large section of the Plains, climatic conditions make farming extremely hazardous, but wide variations from year to year, and between groups of years, particularly with regard to precipitation, result in occasional favorable periods. These relatively better seasons, especially when accompanied by good market prices for crops and livestock, provided the stimulus for invasions. Speculative land agencies, the advertising of interested railroads, the tremendous urge to own a farm, and later the appeal of patriotism and war prices, all worked together in such times to draw more and more people into agriculture on the Great Plains. The mingled story of success and failure attending these movements is known to all.

The need for sound guidance in land settlement and colonization, especially on western lands, was recognized coincidentally with the increase in migration to these lands. Many public officials deplored the plight of the settler in acquiring new land in almost complete ignorance of its possibilities. In taking official notice of this situation in 1920, Secretary Henry C. Wallace wrote:

"The results in misdirected investment of capital, futile labor through years of unavailing struggle against hopeless odds, and consequent discouragement and despair, are too serious to be ignored. . . . Surely, in the settlement and development of land, the buyer should at least have full and complete information for his guidance. It appears that under existing conditions, we should not attempt to stimulate unduly the normal rate of settlement, but rather to guide and protect the normal movement along lines which will insure a reasonable degree of success in the development of new lands with a minimum of wasted capital and human effort. It yet remains to be determined whether this purpose can best be accomplished by governmental action, by private enterprises with comprehensive attempts to educate both land-settlement

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<sup>a</sup>*Yearbook of the Department of Agriculture*, Washington, D. C., 1909, p. 106.

agencies and prospective settlers in the methods most favorable to success, or by private agencies systematically regulated."<sup>4</sup>

This statement may be considered the genesis of our present-day land program. In the following year, 1921, the Secretary's report contained a section headed, "Land Utilization Study," which referred to the organization of a committee within the Department charged with the task of making a study of "the dry lands, the wet lands, and the cut-over timberlands."<sup>5</sup>

A spring wheat regional council was organized in the Department about the same time to devise "some measure of relief for the farmers of the Northwest" who had suffered from a series of dry seasons. Studies of farm organization and land utilization in the region were begun in order "to determine in just what parts of the region a permanently profitable agriculture can be established and just what types of farming are best suited to the different parts of the region."<sup>6</sup>

On November 30, 1923, the Secretary of Agriculture submitted a report to the President on "The Wheat Situation." In this report the acute distress of the farmers of the semi-arid sections extending from western Kansas and eastern Colorado to the Canadian border was fully described. "Fundamental and far-reaching adjustments must be made in the agriculture of this region," the report stated. "Land now in cultivation which is not suited to field crops should be allowed to revert to pasture. . . . For the development of a stable agriculture in the semi-arid regions it is imperative that a true appraisal be made of the uses to which these lands can be put most profitably."<sup>7</sup>

Agricultural distress, beginning shortly after the close of the World War, drove forcibly into public thinking the idea that something was radically wrong with our use of the land. The need for a classification of lands as a predicate to proper use was expressed in 1924, with the acknowledgment that, "much of our agricultural distress has come from misfit land

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<sup>4</sup>*Annual Report*, Department of Agriculture, Washington, D. C., 1920, p. 24.

<sup>5</sup>*Annual Report*, Department of Agriculture, Washington, D. C., 1921, p. 22.

<sup>6</sup>*Agriculture Yearbook*, Washington, D. C., 1923, p. 25.

<sup>7</sup>"Agricultural Readjustments in the Principal Wheat Regions," *Agricultural Yearbook*, Washington, D. C., 1923, pp. 95-160.

policies and systems of farming."<sup>8</sup> Each year following, increasing attention was given to land problems, and the Government's conception of duty towards them was beginning to crystalize. Secretary Jardine, for instance, declared in 1928: "The situation from which agriculture is still suffering has complex economic, social, and other roots. For these the Nation cannot escape its just share of responsibility in that its officials advocated overwhelming expansion of production during the war. In like manner, the Nation must accept its share of responsibility in seeking and applying sound and adequate relief. In short, agriculture is entitled to practical governmental help in rebuilding its fortunes on a firm and permanent foundation."<sup>9</sup> In this later period the subject had its origin in overproduction and the piling up of unsaleable surpluses, the theme being that agricultural production, where conditions indicated, should be relocated to eliminate the "high-cost areas." Secretary Hyde described the problem of his day as two-fold: "To hold expansion in check where it would extend cultivation to marginal and submarginal lands, and to get lands of this character out of cultivation."<sup>10</sup>

The Federal Farm Board was the first national agency given legislative authorization to effect a land utilization program. While little was done beyond the usual conferences and organization of committees, a decided impetus was given to the movement. One of the many objectives of the Agricultural Marketing Act of 1929, which set up the Farm Board, was "assisting in developing a national agricultural policy with reference to land utilization, marginal lands, and, in general, the control of the farm-land area." Such a policy, at that time, covered seven major points, as follows:

1. A scientific classification of land resources.
2. The contraction of farm acreage and a check upon its expansion.
3. Conversion of lands obviously submarginal for farming purposes to other than farm uses.
4. An examination of the national reclamation policy.
5. Public reforestation.
6. Revised public-domain policy.

<sup>8</sup>*Agricultural Yearbook*, Washington, D. C., 1924, p. 26.

<sup>9</sup>*Agricultural Yearbook*, Washington, D. C., 1928, p. 7.

<sup>10</sup>*Yearbook of Agriculture*, Washington, D. C., 1930, p. 36.

7. The dissemination of information to guide private enterprise in land settlement.<sup>11</sup>

A program of research in land settlement and land use was inaugurated in 1932, but no direct Federal action program was contemplated by the Administration. The prevailing attitude was summed up as, "Short of public purchase, the main practicable method is through State policies of grants-in-aid and the exercise of the zoning power."

The whole tenor of this brief historical survey of land policy is merely to point to a growing recognition, over a long period of years, of an acute land problem, and a lamentable lack of action on the part of the National Government in regard to it. Deplorable conditions were acknowledged and the need of remedial measures widely acclaimed, but the Government seemed unwilling, until 1933, to take steps plainly indicated. "Most of the land is in private ownership", wrote the Secretary of Agriculture in 1932, "and the owners naturally want to get it into use. It would probably be inexpedient and, perhaps, constitutionally impracticable, for the Federal Government to regulate the utilization or settlement of private lands."<sup>12</sup>

Direct Federal participation in a land utilization plan began with an allocation of \$25,000,000 from funds appropriated under the National Industrial Recovery Act of 1933, for the purpose of redistributing population through loans or other aids to the purchase of subsistence homesteads and the purchase of marginal lands. With this money, to which several additions have since been made, various agencies of the Government have attempted to carry on an action program in land utilization. At the present time it is largely under the direction of the Soil Conservation Service.

In the fall of 1933 a new factor had been injected into the land problem. This revolved about the apparent conflict between the crop reduction program of the Agricultural Adjustment Administration and the increases in cultivateable acreage resulting from the construction of new irrigation projects by the Public Works Administration. It was suggested that in order to offset such gains in arable acreage an equal amount of Public Works funds should be applied to the purchase and withdrawal from cultivation of submarginal lands.

<sup>11</sup>*Yearbook of Agriculture*, Washington, D. C., 1931, pp. 37-39.

<sup>12</sup>*Yearbook of Agriculture*, Washington, D. C., 1932, p. 37.

An interdepartmental committee, which later became the Land Section of the National Resources Board, was organized to reconcile the land adjustment activities of the various agencies of the new Administration. For administrative purposes, the services of the Federal Surplus Relief Corporation were utilized to carry out the new land purchase program, and it was to this agency that the Public Works Administration, on December 28, 1933, allocated the \$25,000,000 referred to above. A Land Division was established in the F. S. R. C. to execute a purchase policy to be worked out in consultation with the Department of Agriculture, the Department of Interior, and other interested agencies, but due to certain legal technicalities it became necessary, in February, 1934, to re-allocate this money to the Federal Emergency Relief Administration. In June, 1934, F. E. R. A. organized its own Land Program Section.<sup>13</sup>

Land Utilization, and the purchase by the Federal Government of submarginal land, now became a definite part of the New Deal Administration's relief program. As such, for the first time in the history of the country, a direct Federal action program, pointed toward the relief of human suffering by means of land purchases, went into effect. Executive Orders allocating purchase money to F. E. R. A. emphasized this feature; that of December 1, 1934, for instance, was worded, "for the purpose of affording relief through the purchase of submarginal lands in the stricken agricultural areas. . . ."<sup>14</sup>

The solution of problems arising from mis-use of land and resources was recognized as being beyond the scope of individuals alone. "Experience has shown", an F. E. R. A. report states, "that families stranded on submarginal land or in abandoned mining, lumber, or other industrial communities, are not mobile. The poverty attending these stranded groups places difficulties in the way of moving and reestablishment elsewhere. Collective action is necessary to facilitate the rehabilitation and resettlement of these groups. Likewise, the prevention of further destruction and loss of natural resources requires social action. Conservation measures encompass ex-

<sup>13</sup>*Monthly Report of the Federal Emergency Relief Administration*, April 1 through April 30, 1935.

<sup>14</sup>*Executive Order 6910-B*, December 1, 1934, quoted in *Monthly Report of the Federal Emergency Relief Administration*, May 1-31, 1934.

tensive areas and large groups of persons. Concerted action of large numbers of individuals over extended regions is virtually impossible without a large measure of collective control and planning."<sup>15</sup>

On April 30, 1935, the activities and personnel of the Land Program Section of the F. E. R. A. were transferred to the newly created Resettlement Administration. Included in this consolidation also were several other governmental units which had been participating in different phases of the land program.

In the brief period from its organization in June, 1934, to its transfer to the Resettlement Administration in April, 1935, the land program organization of F. E. R. A. set up 82 projects, involving almost five and one-half million acres, with a total cost of land and improvements amounting to more than twenty-five and one-half million dollars, out of total allocations for this purpose of \$28,390,000.<sup>16</sup>

More important than these physical accomplishments, however, was the contribution of F. E. R. A., as the originator of the first action program concerned with land use problems, in the formulation of policy and the dissemination of a new philosophy in regard to their solution. A broader concept of governmental responsibility brought the condition of people into direct focus with the condition of land, and the attack which was launched was directed toward the elimination of rural slums as well as the restoration of the soil. Distressed families were enabled to liquidate their unfortunate investments in poor land and were provided some degree of opportunity in establishing themselves in better circumstances elsewhere with the possibility of becoming self-supporting members of society. And social action was instituted to effect desired improvements in rural life. It was recognized that no land program involving the purchase of occupied tracts would be complete until adequate provision had been made to aid those families selling their lands to the Government to move to more satisfactory locations elsewhere. No family was forced to sell its home to the Government. Since the basic purpose of the program was to help families bound to an unrewarding tillage of poor land, the Government assumed the obligation

<sup>15</sup>"The Land Program of the Federal Emergency Relief Administration," in *Monthly Report* of the F. E. R. A., April 1-30, 1935, pp. 9-13.

<sup>16</sup>"The Land Program of the Federal Emergency Relief Administration," in *Monthly Report* of the F. E. R. A., April 1-30, 1935, pp. 9-13.

of assisting families in acquiring homes in areas where they might have an opportunity of becoming self-supporting on a satisfactory living standard, provided such help was needed.<sup>17</sup>

Under the Resettlement Administration, the program begun by F. E. R. A. was extended and expanded considerably, with the basic policies of the latter organization remaining in effect. Rehabilitation in place and through resettlement were joined in one Administration. Purchases of submarginal land were carried forward, and development work in project areas reached new heights. Nearly 13,000 families were living on lands being acquired by the Land Utilization Division of the Resettlement Administration at the time of that organization's first annual report.<sup>18</sup>

In September, 1937, when the Resettlement Administration became the Farm Security Administration, the land utilization program was transferred to the Bureau of Agricultural Economics, and in the fall of 1938, in order once again to consolidate land actions, the Soil Conservation Service took over the entire program.

The emergency arising from the depression and drought of the thirties resulted in a tremendous number of farm families, especially in the Great Plains area, being reduced to want, and the land program of the New Deal Administration, from F. E. R. A. days on, has been directed primarily to the relief of farm families. In its development, it has become closely associated with the rural rehabilitation and resettlement programs, which had, as their chief concern, the care of relief families residing on submarginal land.

Under the program so established, almost 10 million acres of land have been acquired, or are in the process of acquirement, as of January 31, 1939, representing a cost to the Government of \$45,643,124. Checks in the amount of \$35,656,519 had been paid at the end of January on 8,365,124 acres. In the Northern Great Plains 4,539,492 acres are included in the program, on which \$12,825,345 have already been spent, out of a total land cost of \$15,712,076. By the end of this year, if

<sup>17</sup>A summary of the objectives and policies of the F. E. R. A. land program may be found in the several Monthly Reports of the Federal Emergency Relief Administration, Washington, D. C., for the period covered.

<sup>18</sup>Section on "Land Utilization," by L. C. Gray, Assistant Administrator, in *First Annual Report of the Resettlement Administration*, Washington, D. C., 1936.

current allotments are used, more than \$67,000,000 will have been spent in developing these lands throughout the country, of which approximately eight and one-half million will be spent in the Northern Plains. In these purchase areas there were originally located 12,921 families, with 2,419 of them in the five states of the Northern region.<sup>19</sup>

Throughout the semi-arid portions of the Great Plains the land program usually takes the form of enlarging existing farm units, with changes from cash crop to livestock production. Ordinarily, the enlargement of one unit can be accomplished only at the expense of surrounding or adjacent units. Thus, in the process of effecting readjustments, a certain number of farm families inevitably will be displaced from farms they have been operating. What to do with these families, and how to care for them are insistent questions awaiting answers. If, within a given area, fifty farm families are existing, with the aid of Federal and local assistance, on farm or ranch units demonstrably incapable of supporting them, and a land-purchase program is instituted by the Government for the purpose of readjusting the agricultural economy of the area, what changes in the condition of these fifty families will take place? Those whose chances are considered poorest will be bought out, if they wish to sell, and their holdings consolidated with those having better prospects and whose rehabilitation will be accomplished within the area. With these latter, we are not particularly concerned here, but with those others who do sell, it might be well to spend a little thought. Among them will be many kinds and types of people. Some may be prepared to effect their own adjustments in nearby or distant sections; others will require the closest of supervision and help in their rehabilitation.

Suitable localities for the resettlement of displaced families are scarce and often hard to find. In some instances, those who have been displaced are unsuited to agricultural pursuits and should seek a living in some other line of endeavor. Many are old people who have passed the age when they could begin life anew. Relief status in the various categories often impel an occupant to remain where he is rather than move away.

A recent survey of the status of families on Government

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<sup>19</sup>*Status of Land Utilization Projects, January 31, 1939, Soil Conservation Service, Washington, D. C., mimeographed report.*

purchase areas in the Northern Great Plains brings to light a situation worthy of some consideration.<sup>20</sup> In this area, land already purchased, plus proposed purchases, as of March 1, 1939, involved a total of 3,765 families. Lands acquired with funds other than those provided under Title III of the Bankhead-Jones Farm Tenant Act (i. e., previous to January 1, 1938) were occupied by 2,292 families who required adjustment either within or outside of the project. Of these, 1,819 had moved with no assistance by January 1, 1939; 378 had moved with either advisory or financial aid, or both, from the Farm Security Administration, and 95 remained in the project areas for future consideration. In some instances adjustments have been made within the project area by the rearrangement or consolidation of units, but more frequently the moving of families completely out of the area is the only solution. Of the 378 families assisted by the Farm Security Administration, only 78 were relocated either within or outside of the area, while 300 were taken care of on resettlement projects.

In the "new" program, or that operated under Title III, beginning January 1, 1938, project managers have estimated that 1,473 families would be displaced. A preliminary classification indicated that only one-fourth of these (370 families) were in a position to effect their own adjustments without outside assistance; 1,092 were in need of one or another type of assistance; and 11 families would remain on the projects as permanent project personnel, occupants under life leases, or with substitute occupancy privileges. The group of 1,092 families needing adjustments were classified further as follows:

Families who may be relocated in new full-time farms on economic units, inside or outside the project area:		711
With guidance only	53	
With guidance and financial aid	620	
Financial aid only	38	
Families who may be provided for by means other than shown in above:		381
Part-time farming, with supplemental labor income	50	

<sup>20</sup>*Report on Status of Family Relocation and Rehabilitation, L. U. Projects, Region I (North Dakota, South Dakota, Nebraska, Wyoming, Montana, and Northeastern Colorado) Soil Conservation Service, Lincoln, Nebraska, March 7, 1939, unpublished.*

Farm labor only	23
Occupation other than agriculture	80
Old age pension	156
Other institutional cases	20
Other arrangements	52

It appears from the classification that, of the total number of families on these purchase sites, roughly one-fourth, because of more favorable economic status, will present no problems in the project area; one-half are adaptable to readjustment on economic units as full-time operators; and another one-fourth must be provided with some means of support other than a full-time farm operators.<sup>21</sup> Of this latter group, 156, or 40 percent are eligible for retirement on old age pensions; five and one-half percent should be placed in some occupation other than agriculture; practically one and one-half percent seems to be definitely institutional cases; and five percent apparently can get along as part-time farmers or farm laborers.

The above-outlined classification, however, is merely an introduction to the really serious problems encountered in the care of families located on purchase sites. First, a distinction must be made between owner and tenant operators in these areas. Absentee owners often are only too glad to sell out their holdings. In such cases, the tenant operator has no voice whatsoever in the decision as to whether or not he shall move. Resident owner-operators frequently refuse to accept offered options for Government purchase because of no better alternative opportunities available elsewhere. It has been estimated that in the "new" program on the Northern Plains approximately one-third of the resident owner-operators refused to sell because of this difficulty. To many of them, a sale under present conditions would be merely a case of hopping from the frying-pan into the fire, and the frying-pan is usually preferred, especially when it has been "home" for a number of years and relief status has been securely established. With some in this class serious questions may be raised, in view of the lack of effective machinery operating to place them, whether

<sup>21</sup>It should be kept in mind that the favorably situated one-fourth referred to as a non-problem group in the project area may be the cause of serious problems elsewhere. With the means to make a selection of better sites, they are in a position to outbid and displace poorer farmers on other tracts. An example of this is the recent displacement of an F. S. A. standard loan client in a good area by a farmer who had sold his holdings in a purchase project.

they are not better off where they are. Where this situation has been found, however, substitute purchases have been effected at times, but such action necessarily disrupts the original plan for the project and continues in existence farm operating units unquestionably not desirable. It does result, however, in a lessened number of families to be cared for as a consequence of moving.

With those for whom part-time farming or farm labor holds the best solution, many questions arise. How may they be properly fitted into a community? Part-time farming is feasible only when adequate supplemental income is available. Perhaps limited labor requirements in the vicinity will not provide for all who may need extra income to complete a decent living from subsistence units. This same limiting factor will have a direct bearing also on the number of those who must look to farm labor exclusively as their means of support. A surprisingly large percentage of the occupants of sub-marginal tracts are in the old age group. What can best be done for them? A practice which is now being tried out utilizes dwellings acquired in farm purchases which have been turned over to F. S. A. and moved onto suitable sites of county-owned land in, or on the edge of, a nearby community. This procedure may, or may not, be workable with numbers greater than the experimental few now being so established.

Under an agreement between the Bureau of Agricultural Economics (since superseded in this field by the Soil Conservation Service) and the Farm Security Administration, the care of families whose land was to be purchased under Title III funds became the joint responsibility of the two agencies.<sup>22</sup> Field instructions issued under this agreement were intended to facilitate the readjustment and relocation of displaced families. In the Northern Great Plains at least, the problem arises not alone from the activities of the Land Utilization program, although that organization accounts for the major part of it. F. S. A. itself, in making necessary readjustments in size of units in order that sound farm plans may be prepared for its clients, will often create the same situation. It is also felt that Soil Conservation Districts will find, as they proceed with their work, that it will be necessary to displace some

<sup>22</sup>Memorandum of Agreement between the Bureau of Agricultural Economics and the Farm Security Administration, approved July 28 and August 4, 1938.

families in order to work out adequate provision for others in the area. The Water Facilities and Flood Control programs may likewise contribute somewhat to this problem. F. S. A., however, because of its type of program, is in a better position than any other agency to perform the required tasks incident to the relocation and rehabilitation of displaced families, even with their rural resettlement program halted for the time being.

The problem of major importance, of course, and the one which is causing most concern to both S. C. S. and F. S. A. is the location of suitable sites for the resettlement of farm operators. There is a definite need for a coordinated and intensive approach to this phase of the work. At present, Farm Security has one man assigned exclusively to this work, but greater effort in this direction seems essential. The purchase and development of relocation sites should be resumed, and loan facilities should be provided for resettlement by infiltration. Under existing regulations, it is not possible to purchase desirable larger holdings for subdivision as relocation units, nor is the development of subsistence units permissible for the use of old age, farm labor, and other semi-institutional cases. These are but a few of several possible outlets by means of which a great amount of satisfactory placement might be effected.

The desire for speed in carrying out the purchase of sub-marginal land, which has been evident in the program under the terms of Title III, and the impulse toward physical accomplishment within the project itself, have to some degree submerged that part of the whole operation which embodies one of the first principles laid down by F. E. R. A., namely, that no family should be bought out until a suitable new location had been found. Today, close observation will disclose families displaced from projects, on the assumption that they could take care of themselves, hovering about the outskirts of villages, adding to an already acute relief situation. Studies are not under way to determine what has become of the people heretofore displaced. Knowledge of their present status, in relation to their former condition, is necessary as a measure of the real accomplishments of the land utilization program.

To sociologists, and particularly rural sociologists, whether in the classroom, the experiment station, or the Government office, the land utilization program presents a challenge which

all of the profession should accept. There is plenty of room for a really worth-while contribution to the cause of rural welfare in the Nation's march toward better land use. The solution of difficulties encountered in the care of these displaced families is but one of many opportunities which might be cited. Just what form each individual's contribution might take would be determined largely by the position in which he finds himself. Much can be accomplished by means of education, through the stimulation of thinking among local groups, and by direct participation wherever possible. As has been pointed out, the emphasis in national attitudes has shifted from the restoration of land for the land's sake to the restoration of rural people; a restoring of that which by right belongs to them—the opportunity for a better life. As such, the land program becomes our program, and it might be well to examine our position in the light of a dictum of Dr. L. C. Gray, for several years Chief of Land Utilization programs, who declared: "We are setting out to create such a relationship between farm families and the land they utilize as will insure a permanent and prosperous rural civilization."<sup>23</sup>

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<sup>23</sup>"Land Policies and National Progress", a paper by L. C. Gray, read at Houston, Texas, November 17, 1936.

## CHARACTERISTICS SURROUNDING RURAL HOMESTEAD EXEMPTIONS IN LOUISIANA

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In recent years a number of states have adopted legislation providing for the exemption of homesteads from the general property tax. Generally the avowed objective has been the lightening of taxation considered excessively burdensome on small home owners, and the establishment of a differential system of property taxation for the benefit of a group whose encouragement is believed to be socially desirable.

Statistical data concerning the operation of homestead exemption measures are now becoming available, as liberal exemption has been granted in several states since 1934 or 1935. Because of an increasing tendency toward further concessions in tax exemption, a pronounced drift away from property taxation as a source of state revenue, and a marked use of the taxing power as an instrument to achieve desired social ends, the examination of homestead exemption policies may be expected to aid in guiding future tax innovations and revisions. In this paper, particular attention is centered on the division of the economic benefits of rural homestead exemption between various groups of farmers, with emphasis upon significant trends and unexpected occurrences which hold unusual interest from the standpoint of rural research.

Several studies of homestead exemption appearing in recent months have emphasized the effect of property tax exemption in reducing and shifting the source of the revenues of the various governing units within a state. These studies have been made in states where the exemption of homesteads makes a direct cut in the assessed property valuation on which local governmental units rely almost entirely for their tax receipts. This type of tax exemption creates a complicated problem in public finance, for in some localities homestead exemption has swept away the greater part of the tax base for school and local taxing districts, without any provision being made for replacement of the necessary revenues. In Louisiana, however, a unique provision maintains the customary property tax system undisturbed as a source of revenue to all governmental districts. The constitutional amendment providing for homestead exemption, as approved by the electorate in 1934,

specifies that each taxing district shall assess and levy the usual taxes on all property, but that tax payments shall be made by the state treasurer for exempted taxpayers from a property tax relief fund appropriated for that purpose by the state legislature.

The funds appropriated for property tax relief in Louisiana are drawn from the income tax and liquor tax revenues. Although the Louisiana law permits the grant of homestead exemption up to \$2,000 of the assessed valuation of a legally defined homestead, the appropriations made by the legislature have actually limited the exemption to \$1,000 during each of the four years of operation. The legislature, through its control of the property tax relief fund, actually retains complete control over the extent and even over the existence of the homestead exemption grant in Louisiana, in spite of the constitutional amendment specifically authorizing the exemption.

Both in Louisiana and elsewhere, theoretical arguments have frequently been advanced in support of the proposition that homestead exemption is a strong influence promoting the welfare of the small farm owner as contrasted to other rural groups. Although the scope of this paper does not permit an adequate discussion of the theoretical viewpoint, the factual data to be presented will bear on this type of reasoning to a considerable degree. Primarily, it must be emphasized that homestead exemption seldom represents any reduction of taxes to the citizens of a state as a whole, but merely makes the burden on certain taxpayers heavier in order that the load may be lightened or removed for others. Furthermore, present-day tax exemptions often represent a shift from collection of revenues through property taxes to new modes of taxation considered more applicable to modern conditions. Frequently the taxpayer, exempted from property taxation as a measure for tax relief, finds that he must pay an equivalent or greater amount of new taxes levied by a new tax law.

Because of these factors, homestead exemption in Louisiana has not reduced the total taxes which the citizens of the state must contribute toward the support of their government. However, the circumstances have been such that the small resident farm owners of the state probably do make a very real saving through the homestead exemption. New taxes in Louisiana, especially the sales tax, generally represent a smaller net tax

payment for the farmer than the former property tax, since the new taxes rest more heavily on urban people and on those in industrial occupations.

This differential advantage which the exemption gives to the farmer is often urged in support of homestead exemption as a measure to combat farm tenancy. In following this reasoning, it may be granted that the exemption of taxes on a farm, regarded as an income-producing property, does make the operation of a farm more profitable, and thereby tends to make ownership more attractive. However, the soundness of a policy which would seek to reduce tenancy by placing the tenant at a greater economic disadvantage than before may well be questioned. The very action of granting homestead exemption and thereby freeing the income of present owner-operated farms from taxes, implies that property taxes must continue to be paid out of the income of farms occupied by tenants, and that, in addition, new taxes must be assessed to balance the decreased property tax revenues. As a result, we can scarcely expect the economic status of the tenant to improve sufficiently to aid him in his struggle toward a more profitable plane of tenure.

Similarly, although the value of a farm is greater to a resident owner than to a non-resident owner because of the capitalization of the additional net income resulting from homestead tax exemption, the greater value of a farm to an owner will not be of much benefit to present-day tenants who must purchase a farm before they can become owners. To some extent, at least, they may have to pay the capitalized value of the exemption in their purchase price. This factor may cancel the benefits of homestead exemption to any persons except those who were farm owners at the time the exemption went into effect.

In 1937 the Louisiana homestead exemption resulted in an exemption of 8.5 per cent of the 1,339 million dollars valuation at which all property in the state was assessed. This exemption made necessary the payment from the property tax relief fund of 8.8 per cent of the 40 million dollars of property taxes levied by all governing districts in Louisiana. Between the different parishes the extent of tax exemption granted by the homestead measure varies greatly. In some parishes over 25 per cent of the assessed property valuation is exempt and more than 25 per cent of the taxes is paid from the property

tax relief fund, whereas in other parishes the percentage of assessed valuation and assessed taxes qualifying for exemption is less than 4 per cent. The percentage of exemption in any particular parish is naturally a result of the proportion of small owners living on their properties and the value per unit of the property held by such owners.

The number of taxpayers receiving exemption has increased steadily during the four years for which data are available. In 63 parishes of the state (Orleans Parish, including the city of New Orleans, omitted) the percentage of the total number of taxpayers receiving exemption rose from 33.7 per cent in 1935 to 39.9 per cent in 1936, to 43.2 per cent in 1937, and to 45.8 per cent in 1938. Evidently the taxpayers were slow in becoming acquainted with the provisions of the law and with the procedure necessary in claiming exemption, so that several years passed before full advantage was taken of the law. Furthermore, the Louisiana Tax Commission has been very liberal in granting exemption to those entering claims, and many owners of doubtful eligibility who may not have applied in earlier years are now receiving exemption.

The proportion of rural exemptions to the total number of exemptions varies greatly between the different parishes, according to the location of the larger urban communities of the state. This factor makes it difficult to draw any inferences as to possible relationships between homestead exemption and land use or tenure in rural areas from the generalized figures available in the reports of the Louisiana Tax Commission. The economic implications of homestead exemption differ considerably between urban and rural property, for a rural homestead is generally an income-producing farm, and property taxes are considered as an expense incurred in operation of the farm business. A reduction in farm expense for favored farms increases farm income for these farms. The grant of tax exemption may thus affect the relative profit differentials between large and small farms, and between farms on poor land and those on good land.

In order to analyze the characteristics of rural homesteads receiving tax exemption in Louisiana, the Bureau of Agricultural Economics, in cooperation with the Department of Agricultural Economics of Louisiana State University, selected two

parishes for an intensive study of the type of rural owner receiving exemption, the size of the exempted farms, the amount of exemption, the relative benefits of the exemption, and other significant items available in the assessment records. The results of this study were of sufficient value so that work is now proceeding on an extension of the analysis to additional parishes of the state.

The original study was made for Jefferson Davis Parish, located in the prairie soil of southwestern Louisiana and within the type of farming area characterized by rice farms, high land values, and high farm income; and for Union Parish, situated in the upland soils of the extreme north central part of the state and characterized by upland cotton cultivation on extensive areas of poor hilly land. Because of the strong contrast in land type and land use between these two parishes, each will be discussed separately.

In Jefferson Davis Parish, 44.3 per cent of the 5,857 property owners assessed for taxes in 1938 received homestead exemptions. The total property taxes levied in the parish were \$442,789. The exemption shifted \$44,545 of tax payments from the owners to the property tax relief fund, thereby reducing the property tax burden of the local residents by 9.1 per cent. Only 834 of the 2,595 exemptions went to rural homesteads, although rural exemption accounted for 41 per cent of the taxes paid by the state treasurer for exemptions in the parish.

The majority of the 834 rural homesteads were under 100 acres in size, and approximately 50 per cent were less than 50 acres. However, the homestead exemption in Jefferson Davis Parish benefits many large farms, for 27.5 per cent of the 834 tracts exceeded 100 acres, and 111 homesteads were greater than 300 acres.

As the maximum exemption was limited to \$1,000 of the assessed valuation and land values are high in the rice area, very few homesteads over 50 acres in size received full exemption from taxes. On the largest homesteads, the exemption was only a small fraction of the total property tax levied on the farm. In this connection, it is interesting to note that, although the 415 small homesteads under 50 acres had practically all their property taxes removed by the exemption, they received only 32 per cent of the \$18,082 which it cost the state to provide exemptions on rural property in Jefferson Davis

Parish. The large tracts always received the maximum exemption, since in each case they claimed the full \$1,000 of assessed valuation. As a result, they received the greater portion of the exemption grant, although they were fewer in number than the small tracts.

In fact, 48 per cent of the rural exemption funds allocated to Jefferson Davis Parish from the property tax relief fund went to owners of tracts larger than 100 acres. The 111 homesteads exceeding 300 acres received almost 19 per cent of the rural exemption funds, yet these same homesteads paid 10 times the value of their exemption benefit in taxes on their non-exempt property above \$1,000 assessed valuation. The tax exemption reduced the tax burden on these large farms by only 8.7 per cent, yet the state in granting this small ratio of exemption spent a large part of the funds provided in an effort to reduce property taxes for the small farmer.

For all rural homesteads in Jefferson Davis Parish, the exemption measure reduced the total property tax by 26 per cent. More than 80 per cent of all the owners of tracts under 50 acres received complete exemption from property taxes. Above 50 acres a much smaller percentage received complete exemption. However, as described in the preceding paragraph, the group of larger farms not receiving complete exemption received the greater part of the funds spent by the state for rural exemption benefits.

In areas of low land values, such as Union Parish, the homestead exemption is much more effective in providing complete exemption and in reducing rural property taxes. In 1938, 51.1 per cent of the 4,202 property owners in Union Parish received homestead exemption, and 81.3 per cent of the total 2,149 exemptions were on rural property. The taxes exempted accounted for 14.0 per cent of the \$256,431 levied on property in the parish. Rural homesteads received 75.6 per cent of the \$41,649 in tax payments shifted from the local residents to the property tax relief fund.

The rural homesteads in Union Parish are large, although in most cases relatively few acres per farm are cultivated and large portions remain in woodland. Of the 1,747 rural homesteads receiving tax exemption in 1938 43 per cent were greater than 100 acres in size, and only 29.8 per cent were under 50 acres. About 90 per cent of the 1,450 homesteads under 160 acres received full exemption from property taxes.

No complete exemptions were granted to any of the homesteads greater than 160 acres, since the Louisiana law limits the exemption to 160 acres for any owner, and, in addition, the valuation on a tract near 160 acres in size generally exceeds the maximum of \$1,000 assessed valuation.

A striking similarity to Jefferson Davis Parish appears in the distribution of the exemption funds among the various size groups of farms in Union Parish. The 1,002 tracts under 100 acres received only 37 per cent of the \$31,498 paid into Union Parish by the property tax relief fund for rural exemptions. In other words, 63 per cent of the cost of rural exemptions was for the benefit of owners of large tracts of land.

However, in this parish, even the large owners had the major portion of their taxes lifted by the homestead exemption of \$1,000 assessed valuation. The only substantial amounts of taxes paid by any farms were those paid by the 78 farms larger than 300 acres. For all the rural homesteads in the parish the exemption covered 75.7 per cent of the taxes assessed on rural homestead property.

The data from the two parishes indicate that the present homestead exemption of \$1,000 is sufficient to exempt small family farms from property taxation in Louisiana. However, generalizations are dangerous, since the actual effect of the \$1,000 exemption is closely correlated with land types and land uses. Land values are much higher in Jefferson Davis Parish than in Union Parish, and as a result the size of holding receiving complete exemption in Jefferson Davis Parish is much smaller than in Union. In both parishes, however, the majority of the farm operators eligible for homestead exemption are so small as to be included well within the present exemption limit of \$1,000.

Although the homestead exemption measure, in its rural phases, was intended primarily for the relief of such small farm owners, the greater part of the cost of rural exemptions to the state tends to benefit the owners of relatively large tracts of land. This is particularly significant, since these large owners are much less numerous than the small ones. Furthermore, if the exemption were raised to the maximum of \$2,000 of assessed valuation as permitted by the present law, the small owners would derive little further benefit, since they already receive full exemption. As a result, the relative pro-

portions of the exemption grant would be distorted still more heavily in favor of the large owners, as large tracts would claim almost all the additional exemption.

The present exemption of \$1,000 tends to distribute the benefits of homestead exemption in favor of the poorer areas of the state. In Jefferson Davis Parish, which is considered as a relatively prosperous parish, the total property tax levy was \$442,789 in 1938 and the exemption shifted \$44,545 of tax payments to the property tax relief fund. However, although Union Parish made total property tax levy of only \$256,431, its citizens shifted \$41,649 of taxes to the state treasurer, thus receiving practically the same amount of state aid as Jefferson Davis Parish, although its property was assessed at only three-fifths of the property assessment in the wealthier area.

The Louisiana law provides that homestead exemption shall not include more than 160 acres of land. At present this provision has little actual effect, since any 160 acres of a large homestead tract generally exceeds \$1,000 in assessed valuation. However, if the exemption were raised to \$2,000, the 160 acre limitation would become effective and discriminate heavily against farms in poor land areas which require large acreages for extensive farming. A farm of 200 acres in Union Parish, valued at \$1,500, would be unable to secure complete exemption, yet a 100 acre farm in Jefferson Davis Parish valued at \$2,000, would receive complete exemption from property taxes. Apparently the rigid acreage limitation in the homestead exemption law will result in a new inequality of taxation and discriminate against many poor low income farms if the exemption is raised to \$2,000, whereas the design of the law is to favor such farms.

It was stated above that the homestead exemption of \$1,000 or less in Louisiana tends to distribute state aid in favor of poor rural areas, but that any higher exemption will operate to reduce this ratio of benefit in the interest of wealthier rural areas and urban districts. An increase in the exemption to \$2,000 will make a relatively small increase in the cost of rural exemptions in parishes having such low farm values that most of the rural homestead property is already exempt. In areas of high land values, however, the increase may more than double the cost of rural exemptions to the state treasury. In Union Parish, for example, three-fourths of the total property

taxes on rural homestead property are already paid from the property tax relief fund, but in Jefferson Davis, only one-fourth is now paid from the relief fund. Evidently a poor land area in Louisiana will benefit little from an increased exemption, and an increase will be largely in favor of the wealthier parts of the state.

Since the present homestead exemption removes all property taxes on most of the farms on poor lands of low value, but removes taxes only partially for the bulk of the farms on good lands of high value, the measure is probably operating as a factor encouraging settlement on some poor land areas of the state which experience indicates are unprofitable for agricultural use. It may be making some land profitable for farming which would not otherwise be profitable. Probably in some areas only those who receive exemption can afford to own or farm land. Furthermore, the loss of title to land because of tax delinquency is no longer possible on small poor farms in Louisiana, and therefore tax delinquency is no longer a factor tending to remove settlement on land which in recent years has come to be considered as unsuitable for farm use. Homestead exemption may thus increase the need for rural zoning regulation and a better guidance of land use, although homestead exemption itself, by virtue of fixing settlement on tax-free property, will probably make effective zoning much more difficult than it is in areas where tax delinquency is a factor eliminating non-conforming land use.

## OPPORTUNITIES FOR INDUSTRIAL DEVELOPMENT IN THE SOUTH

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The industrial development of any country or section of a country is determined by three basic factors: the resources available for use, the extent of the technologies developed for the use of these resources and the social institutions.<sup>1</sup> Opportunities for industrial development in the South must be considered in the light of these major factors. To put it another way, wherever these three factors are favorably combined there are likely to be opportunities for industrial development. The efficient production of economic goods requires a careful proportioning of the four factors of production: land, labor, capital, and entrepreneur. Each of these factors has a definite place in every productive unit.

An analysis of the Southern industrial possibilities may be well divided into two parts: In the first part, an attempt is made to show the supply of each of the four factors and to point out the entrepreneurial possibilities in a competitive society; in the second part an effort is made to weigh the human and natural barriers blocking the path of free competition.

### I

The four factors are discussed in the following order: land, labor, capital, and entrepreneur.

A special report from census of manufacturers,<sup>2</sup> 1933, prepared by the Bureau of Labor Statistics, presents data from which the value added for a dollar of wages paid in each of the various sections of the United States can be ascertained. The table shows for 14 industries the values added for each dollar of wages paid in each of the sections: North, South, and West. According to these figures it is clear that for every dollar paid for wages a greater value was added by firms of the South than by those of the North.

The 14 industries were taken from a list of 32 leading industries prepared by the Bureau of Labor Statistics. These are chosen because they represent some of the industries for

<sup>1</sup>Bowden, W., Karpovich, M., Usher, A. P., *An Economic History of Europe*, p. 1.

<sup>2</sup>For reference see note under table.

which the South appears to hold an advantage. It is most evident that in the industries named the South has a decided advantage in one or more of the factors of production.

For the development of the textile industries, especially cotton and wool, the Southern section offers the raw materials and a sufficient supply of hydroelectric and cheap fuel power. Northern Alabama possesses unlimited supplies of coal and iron. The Southwest is able to furnish an abundance of both oil and gas. The recently developed technique of prospecting and drilling has demonstrated that the supply of oil in the Southwest is sufficient to last many years: much longer than machinery used in manufacturing. It appears that a most important shift is being made from coal to oil. During the last decade the oil used for manufacturing power has increased many times. During the same period the use of coal in creating power has decreased between twenty and thirty per cent. The indications are that oil as a power-producing agent may surpass coal, which has been the basis of manufacturing since the beginning of the Industrial Revolution.

Factories producing chemicals are increasing more rapidly than those of any other industry in the United States. The

AVERAGE HOURLY EARNINGS AND EFFICIENCY RATINGS OF  
COMMON LABORERS, BY INDUSTRY AND REGION, 1933<sup>1</sup>

Industry	Hourly Earnings			Value Added Per \$ of Wages Paid		
	North	South	West	North	South	West
Cotton Goods .....	\$.343	\$.253	\$.---	1.74	1.89	---
Paper .....	.449	.391	.500	2.73	4.65	4.12
Pulp .....	.446	.387	.494	2.42	3.10	4.29
Petroleum Refining .....	.669	.595	.688	3.33	3.36	3.93
Blast Furnace Products .....	.502	.397	---	2.45	3.95	---
Rayon Yarns .....	.459	.392	---	2.64	3.23	---
Machine Shops .....	.624	.507	---	---	---	---
Foundries .....	.619	.451	---	---	---	---
Sawmills .....	.472	.264	---	---	---	---
Hosiery <sup>2</sup> .....	.436	.285	---	1.67	1.96	---
Ice, Mfgd. <sup>2</sup> .....	.510	.312	.497	4.70	5.54	4.46
Meat Packing <sup>2</sup> .....	.427	.347	.498	2.38	2.99	2.36
Cigarettes <sup>2</sup> .....	.439	.358	---	5.96	9.97	---
Sugar Refining, Cane <sup>2</sup> .....	.522	.352	---	4.11	6.53	---

<sup>1</sup>Barton, J. Cullen, Thesis, *The Nature and Extent of Governmental Efforts to Attract Out of State Capital and Industry to The South, with Special Emphasis upon Louisiana*, p. 53.

<sup>2</sup>Data taken from "Man-Hour Statistics for 32 Selected Industries," *Special Report from Census of Manufacturers, 1933, Prepared by Bureau of Labor Statistics*.

location of chemical factories depends upon two important factors: the development of chemical-using industries such as textiles, paper, pulp, and fertilizer; and the raw materials for the making of chemicals. The first of these requirements is being rapidly satisfied. The second, that of raw materials, is furnished in abundance from Southern salt, sulphur, oil, gas, coal and corn. Almost the entire South is covered with pine and hardwood forests capable of furnishing large supplies of building materials, furniture and pulp for paper. Fertile soil and suitable climate are conducive to the production of food.

In recent years Southern labor has been a widely discussed problem. It is generally believed that Northern laborers are more efficient than Southern laborers. According to the table individual laborers of the South are paid a smaller hourly wage than those of the North. The results of many other studies show also that there is a wage differential in favor of the Northern workers.

Do wages measure standards of living? It is claimed by many that a standard of living can be had in the South with a smaller money cost than the same standard can be had in the North. Most of the studies comparing the standards of the two sections find practically no difference in the money costs, except rent and diet. In the case of diet the studies assume that the menu of the Northern workers is the correct one. If the assumption should be reversed in a study which required Northern workers to eat what Southerners eat, the result would likely be different. It is conceded, however, in practically every study that the cost of living is somewhat lower in the South than in the North. To the extent that a difference in cost of living exists the standards cannot be equalized with an equal wage. An equalization of standards, therefore, could only be effected with a differential in wages equal to the differential in the costs of living in the two sections. On the other hand, there is much evidence<sup>3</sup> that laborers have been leaving the South for the North. As long as this migration continues we may safely conclude that the standards of Northern laborers are higher than those of Southern laborers. But since it is true that there is an increase in Southern industrialization, the question arises: How long can this difference in standards exist? Southern laborers leaving the

<sup>3</sup>Smith, T. Lynn, *Recent Changes in the Farm Population of the Southern States*, L. S. U., 1937, p. 1.

South will reduce the supply of labor and tend to raise wages, while the developing industry increases the demand for labor and tends also to raise wages. Both are working hand in hand to reduce the proportion of labor which will increase labor's productivity, raise wages and may soon bring the two standards to a level. The South has the advantage to the extent of any difference in the cost of keeping Southern and Northern workers on the same standard. Such an advantage is of the nature of a natural resource and under the rules of a capitalistic system is legitimate prey for exploitation by entrepreneurs. Several studies indicate the Southern industrial worker is less efficient than Northern workers. The inefficiency of Southern labor and the fact that the same standard of living can be had at the lower cost in the South eliminates much of the apparent wage differential.

From the Civil War until now the capital factor<sup>4</sup> in Southern industries has been scarcer than the land and labor factors. The high interest rates of the South have been considered proof of the scarcity of capital. One may ask why capital has been so slow to accumulate in the South. The answer, only history can reveal. The development of this country was shaped by forces which were adapted to the institutions, technology and natural barriers contemporary with its growth as well as to the early beginnings directed largely from the mother countries. The cotton gin was responsible for the large negro population of the South. For a half-century Southerners turned the wealth from their richest resource into a form which was completely destroyed within four brief years. About the time of the destruction of the Southern wealth a new technique in transportation—perhaps the most important means of gaining new wealth—was revolutionizing the markets. As was to be expected, the new transportation system was designed on a pattern that directed the trade of a rapidly developing West into those centers made prosperous by the War. The events leading up to a transportation system inlaid with fixed capital and favorable to the East are referred to with no thought of condemning or praising anyone.

Statesmen, economists, and businessmen are now complaining that private capital has gone on a strike. Studies of the

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<sup>4</sup>National Emergency Council, *Report on Economic Conditions of the South*, p. 49.

per capita income and wealth show that the large possessors of private capital are those who have been receiving incomes from their investments in industrialized centers. The rapid shift of industries away from the old centers has caused a great proportion of our capitalists to get themselves into a paradoxical position. They have set up barriers to protect their fixed investments in the industrial centers, where they are now afraid to send mobile capital. In attempting to save their immobile capital they have by means of barriers lessened the possibilities of a large return on any capital they might now invest in the South to which industry is moving. There should be, then, no mystery as to why a great portion of private capital has gone on a strike.

Professor Hornbeak, in his doctor's thesis<sup>5</sup> of two years ago, pointed out that Southern banks might soon have to find new fields of investment for their loanable funds. The time is here, and the banks now possess large quantities of the means of securing industrial capital. At the time the figures in the above table were compiled Southern capital was short and there was a decided differential between interest rates in the South and North and the difference was preferential to the North. The extra costs of production on account of high interest rates is very probably greater than Southern gains on account of cheaper labor.

It is entirely possible for a country or any section to possess great quantities of resources, labor, and capital, and at the same time be short on the enterprising factor. A careful analysis of the problem of industrialization of the South seems to give evidence of this very situation: a shortage of entrepreneurs and the abundance of the other factors. If this is the situation, it follows that high profits are accessible to the entrepreneurs who are there. The shortage of promoters and enterprisers may be accounted for in part by a failure on the part of our higher educational institutions. Departments of Southern institutions of research and learning, especially those designed for the training of business and commercial people, have not been in existence long. The demand for young men and women trained in commerce and business has been and is so great that promising youths are attracted away from

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<sup>5</sup>Hornbeak, M. H., *The Development of Louisiana Banking, 1923-1936, With Special Reference to Credit and Investment Policies*, L. S. U. Library, June, 1937, p. 58.

universities as soon as they have secured a Bachelor's degree. The training necessary for industrial leaders is, therefore, insufficient to prepare them to take the most efficient advantage of our resources, labor, and capital. Our bankers have been trained to go out and get the money but to wait for the demand to come to them. As pointed out above, the situation has recently changed. The banker of the South may now sit and wait for the supply of loanable funds, but he must go out and find the demand for them. The training of Southern bankers has not prepared them for such a change.

The above analysis of industrial production in the South indicates that the labor and land as resource factors are long while capital until recently has been short, and entrepreneurs have been and are still scarce. The cheapness of the labor factor in the South is partly because of natural advantages: lower costs of living. On account of the inefficiencies of Southern labor the wage differential is more apparent than real. From the above analysis, in the 14 mentioned industries, most if not all of the Southern advantage was due to the richness of the land or resource factor.

## II

Of the barriers obstructing industrial development on the bases of free competition between the North and the South, freight differentials take first place.<sup>6</sup> Our transportation system has in it an inherent power which arises from the fact that railroads are operated at decreasing costs. Freight differentials prejudicial to the South are among the major causes of a friendly but heated argument that is now taking place between Northern and Southern statesmen. It must be granted that under certain circumstances rate differentials, on the basis that railroads operate at decreasing costs, are justified because greater quantities of freight are available to, from, and in the North than are accessible to, from, and in the South. It must be remembered, however, that advantages resulting from decreasing costs cannot be indefinitely extended. In the railroad business, double tracking of railroads is a rather definite sign that the point of maximum efficiency from decreasing costs is being attained. If this point is reached by the roads to and from the Northeast and if it is not being ap-

<sup>6</sup>For actual differences see *House Document No. 264, 75th Congress*, entitled, "The Interterritorial Freight Rate Problems of the United States."

proached by the roads to and from the South, it is evident that further opportunities of social benefit are to be derived from a decrease and not from an increase in the differentials—provided, of course, that the reduced differentials are secured by lowering rates of Southern carriers and not by raising rates for Northern carriers. Every economist knows that the preceding sentence does not assume that the railroads are to bear any additional burden, but, on the other hand, it assumes greater returns to society and that the railroads will get a part of the benefits.

A discussion of rate differentials between the two sections in question would not be complete without including rates for foreign trade. In general, rates to and from all Atlantic ports are not prejudicial to any one or more of those ports. The same can be said about the Gulf ports. There is, however, a considerable difference in carrying charges between the two groups of ports and the rates are preferential to the Atlantic group. On this point the South is likely to be divided against itself. A large portion of the South's products, both agricultural and manufactured, enter foreign markets. It can also be said that a large part of the goods for Southern as well as for Northern consumption is imported. As in the case of domestic rates, the benefits from decreasing cost, as Southern industry increases, are to come through lessening not increasing the rate differentials. Transportation, second only to rich resources, influences the market. The transportation pattern once set can largely determine the market centers for several generations. A century ago water transportation was setting the stage for a world famed market at New Orleans, but a change in the technique of carriers transformed that picture.

The last few years have brought a new impetus to water transportation. One unassuming steamboat now drives barges which carry 15 to 20 times the tonnage carried by the glamorous steamboats that once were the pride of great rivers. Another important change in the technique of transportation is setting a new pattern to which marketing activities are being rapidly adapted. The highway with the big motor truck is putting the fixed capital of the railroad through a melting pot.

Another deterrent to the free movement of industry to the South has been the fear of unhealthy conditions. Once the deep South was considered a place where diseases of all

kinds lurked, but these Southern dangers have been removed. Yellow fever, hookworm, and malaria are gone, and mosquitoes are no worse in the South than they are along the Atlantic coast or on the lake shores of Minnesota. Undesirable climatic conditions are, at a small cost, artificially changed to perfection.

These changes with others have made real industrial opportunities out of what a few decades ago would have been considered the fancy of a dreamer. As manufacturing develops in the South new opportunities will arise for two general types of industries: one to meet the increased domestic demand and the other to supply the need of certain factories. The former is exemplified by the manufacturing of building materials and food products, and the latter by factories producing chemical supplies.

The much talked of wages-and-hours bill is considered by many to be a deliberate effort to check the movement of industry to the South. Far be it from an unprejudiced mind even to suggest a willingness to offer Southern labor at a wage which forces a lower standard of living than that enjoyed by Northern workers. But any differential in cost of living in the different sections will be reflected preferentially to the South unless some obstruction is set up to offset it. The minimum wage set by the present wages-and-hours bill is entirely too low to counteract the South's natural labor advantage. To put it another way, not until the minimum wage is placed high enough to give Southern laborers a higher standard than that maintained by Northern laborers will the South's natural labor advantage cease to be an inducement for industry to move South. It should be further stated that cheaper Southern labor on account of a lower standard is unfair exploitation and cannot last long in the face of industrial development. The growth of industry in the South, therefore, is not to be sought on account of low wages, but rather as a means to higher wages.

To summarize, an analysis of the factors of production located in the Southern region shows great supplies of land, labor, at present an abundance of capital, but a tremendous shortage of entrepreneurs. Rate differentials and wage laws furnish the greatest opportunities for barriers against industry's move to the South. Southern educational institutions, especially the graduate schools have a great responsibility to present a scientific analysis of Southern industrial possibilities

by showing the true position of the factors of production and to point out the barriers—both human and natural—that stand in the way of Southern progress. Such responsibilities furnish a real opportunity for Southern scholars who are willing to spend long years of possibly unrecognized study.

## NOTES FROM THE SOUTHWEST

The *Fifth Annual Southern Social Science Research Conference* was held in Atlanta, Georgia, March 9-11, 1939. About forty persons attended the conference and discussed the general topic, "Research in Migration with Special Reference to the South."

The Southern Political Science Association and the University of Florida announce the publication of new quarterly, *The Journal of Politics*. According to the announcement, "The aim of the *Journal* is to present material which will touch upon the dynamics of politics and questions of interpretation as well as factual and analytical material." The editor and managing editor are, respectively, Robert J. Harris, Jr., Louisiana State University, University, Louisiana, and M. J. Dauer, University of Florida, Gainesville, Florida.

### ARKANSAS

*University of Arkansas*—The College of Business Administration will sponsor a Southwestern Graduate School for Savings and Loan Executives July 24-28 on the campus of the University.

Dr. Austin Venable has received a grant from the Social Science Research Council and expects to spend the summer in Washington, and in several southern cities doing additional work on the life of William L. Yancey.

Dean Virgil L. Jones has resigned effective July 1 as dean of the College of Arts and Sciences but will continue as chairman of the Department of English. He will be succeeded by Prof. H. M. Hosford who will retain his chairmanship of the Department of Mathematics.

Dean Dan T. Gray has resigned effective July 1 as dean of the College of Agriculture. He will be succeeded by Deane G. Carter who will retain his chairmanship of the Department of Agricultural Engineering.

Dean C. C. Fichtner of the College of Business Administration has been re-elected secretary-treasurer of the American Association of Collegiate Schools of Business and also to the executive committee of Beta Gamma Sigma.

New bulletins recently published by members of the Department of Rural Economics and Sociology include the following: "Estate-Owned Land in Arkansas," by Orville J.

Hall, and "Inequalities in the Arkansas Property Tax Assessment System," by Estal E. Sparlin.

Prof. Rutledge Vining of the College of Business Administration has been awarded a Julius Rosenwald scholarship for research in economics for the ensuing year. He expects to attend the University of Chicago.

Prof. W. B. Cole of the College of Business Administration has been elected to the executive board of the State Society of Certified Public Accountants.

Dr. Herman M. Haag, Associate Professor of Agricultural Economics, University of Missouri, will teach courses in rural economics at the University of Arkansas this summer.

Prof. Trimble R. Hedges of the Department of Rural Economics and Sociology has been elected to the national executive board of the Farmhouse fraternity.

#### LOUISIANA

The First Annual Business Conference of *Southwestern Louisiana Institute* at Lafayette was held May 6, 1939. Cooperating in this year's session was the Lafayette Chamber of Commerce and the Lafayette Young Men's Business Club. The topics discussed were:

"Personnel Policies and Business Profits," W. P. Reymond, Jr., Personnel Manager, Standard Oil Company of Louisiana.

"The Place of Business Training in the High School," Herbert A. Hamilton, Lafayette High School.

"The Business Life of Soviet Russia," Victor Schoffelmayer, Business and Agricultural Editor, The Dallas News.

"What Business expects of College of Commerce Graduates," Dean James B. Trant, College of Commerce, Louisiana State University.

"Business Welfare and Social Trends," A. M. Bujard, Louisiana Public Utilities Company.

Among the panel chairmen were Dr. S. A. Caldwell of Louisiana State University and Dr. J. C. Van Kirk of Tulane University.

Dr. Karl E. Ashburn, Head of the Department of Economics and Business Administration at Southwestern, is Director of the Business Conference.

#### MISSOURI

*University of Missouri*—Three Guggenheim fellowships were recently granted to the members of the faculty of the *University* as follows: Professor Elmer Ellis, History, and Profes-

sors Karl R. Bopp and Elmer Wood, Economics.

Professor Ellis will continue "a biographical study of Finley Peter Dunne, with special emphasis of the influence of Dooley essays upon contemporary politics and subsequent political journalism."

Professor Bopp will make a "comparative study of the policies of the Bank of England, the Bank of France, the Reichsbank, and the Federal Reserve System." He will spend the tenure of the fellowship largely in London and Paris, having already collected the materials on the Reichsbank on a Social Science Research Council Fellowship in 1932-1933, and the Federal Reserve System.

Professor Wood will study the "policies pursued by the Bank of England during third quarter of the 19th century." Professor Wood's "English Theories of Central Banking Control" will appear this summer in the *Harvard Economic Studies*.

The Western Division of the American Philosophical Association held its 40th annual meeting at the *University of Missouri* last spring. Professor J. W. Hudson, Philosophy, was president of the group and also National President of the Association.

Professor J. W. Hudson's new book on religion, *The Old Faiths Perish*, was recently published by Appleton-Century.

At the Midwest Sociological Society in Des Moines, April 20-22, Professor J. Brewton Berry presented a paper on "The Concept of Race in Sociology", and Professor C. T. Pihlblad participated in the discussion of "Social Implications of Population Changes." Professor Noel P. Gist was President of the Society.

Dr. Victor D. Brannon recently resigned a research position with the Missouri State Planning Board to join the staff of the Governmental Research Institute of St. Louis. His doctoral dissertation on the "Missouri State Auditor and County Fiscal Control" will appear in the October issue of the *University of Missouri Studies*.

Professor John Q. Adams, Geography, will have charge of the Geography courses for the tenth consecutive summer at the Missouri School of Mines.

Professor Leslie Hewes, University of Oklahoma, will teach in the Geography Department at the University of Missouri during the summer session.

A study by Professor Sam T. Bratton, Geography, "El Pacayal: A Coffee Finca in Guatemala", was published in the *Journal of Geography*, February, 1939. Professor Bratton is Chairman of the University Chapter of the Missouri State Teachers Association and also the Missouri Director of the National Council of Geography Teachers.

During 1938-1939, the Departments of Geology and Geography gave a series of illustrated public lectures on the travels of the various members of the staff, Professors E. B. Branson, M. G. Mehl, S. T. Bratton, W. D. Keller, and J. Q. Adams participating.

A manuscript by Mr. E. L. Gregory and Professor C. E. Lively, Rural Sociology, on the rural cultural areas of Missouri has just been completed for publication by the Agricultural Experiment Station.

Mr. Ronald B. Almack, Experiment Station assistant, is making a survey of the more important rural social agencies in Missouri, which will be published by the Experiment Station.

Mr. Donald Ibach, Extension Service, has obtained a leave of absence to accept the position of Farm Management Specialist with the Farm Security Administration, but since he has been assigned to this state his residence remains Columbia, Missouri.

Mr. John F. Timmons, former graduate student in Agricultural Economics, is now an Assistant Agricultural Economist, Division of Land Economics, Washington, D. C.

Mr. Darryl Francis, former research assistant in Agricultural Economics, has accepted the position of Assistant Secretary with the Springfield, Missouri, Production Credit Association.

Mr. John H. Dickerson, former graduate student in Agricultural Economics here and at Iowa State, has accepted a position as Associate Economist on the Cedar Creek Pasture and Forestry Project, located in Callaway County, Missouri, and administered by the Soil Conservation Service. Mr. E. S. Troelston, graduate student in Agricultural Economics, has accepted temporary employment as an assistant to Mr. Dickerson.

Mr. Norman Clough, graduate student in Agricultural Economics, has accepted a part-time position in the Institute of Consumer Education at Stephens College.

Professor Conrad H. Hammar, Agricultural Economics,

has been acting as consulting Collaborator on the St. Francis Watershed Survey, with headquarters at Fredericktown.

Mr. Alva M. Meyers, Jr., Assistant Agricultural Economist, Division of Land Economics, Bureau of Agricultural Economics, is now conducting research in land use planning in Callaway County, Missouri.

#### OKLAHOMA

*The University of Oklahoma*—Under the direction of the School of Citizenship and Public Affairs, Cortez A. M. Ewing, Director, will hold its second annual Institute of International Relations at Norman June 12 to June 23, 1939, the theme being "The Foreign Policies of the Great Powers." The faculty includes President Eduard Benes, J. Linus Glanville, Southern Methodist University; T. Z. Koo, chairman of the World Student Christian Federation; R. H. Markham, *Christian Science Monitor* correspondent in central Europe; B. W. Maxwell, Washburn College; H. C. Nixon, chairman of the Southern Policy Committee; Clarence Pickett, American Friends Service Committee; Walter R. Sharp, University of Wisconsin; Wilhelm Sollmann, former Minister of the Interior in Germany; Royden J. Dangerfield and Oliver E. Benson, University of Oklahoma.

The first Institute, held last summer June 9-18, drew a cumulative attendance of approximately 30,000 persons.

The local government conference scheduled at the *University of Oklahoma* in March has been postponed until next October.

#### TEXAS

*The University of Texas*, through the Bureau of Research in the Social Sciences, of which Dr. W. E. Gettys is director, has recently published *Texas' Children*, an 885-page report of the state-wide Texas Child Welfare Survey.

Work has begun on the writing of a ten-volume history of the South, to be edited by Professor Charles W. Ramsdell of the University of Texas and Professor Wendell H. Stephenson of Louisiana State University. The ten authors and their institutional affiliations are: W. F. Craven, New York University; Philip Davidson, Agnes Scott College; P. M. Hamer, The National Archives; T. P. Abernethy, University of Vir-

ginia; Charles S. Sydnor, Duke University; Avery C. Craven, University of Chicago; Charles W. Ramsdell, The University of Texas; E. Merton Coulter, University of Georgia; C. Vann Woodward, University of Florida; Rupert B. Vance, University of North Carolina.

The University of Texas Bureau of Municipal Research, under the directorship of Dr. Stuart MacCorkle, has released a report on the police powers of the municipalities of Texas.

A high school text, "Citizenship in Our Democracy," is just off the press, written by Professor C. P. Patterson of the University of Texas, Dr. J. Cecil Parker of the Michigan secondary school curriculum study, and Professor Samuel B. McAlister of North Texas State Teachers College.

# TWENTIETH ANNUAL MEETING OF THE SOUTHWESTERN SOCIAL SCIENCE ASSOCIATION

FRIDAY, APRIL 7, 7:30 A. M.

*Accounting Section* ----- Room 320  
Breakfast Session.

Chairman: Lawrence W. Fleck, Southern Methodist University, Dallas.

*Problems of the Profession*

Discussion Leader: Joe C. Harris, President, Texas Society of Certified Public Accountants.

*Progress in the Several States*, a representative for each state.

FRIDAY, APRIL 7, 9:00 A. M.

*Accounting Section* ----- Room 320  
Chairman: W. B. Cole, University of Arkansas, Fayetteville.

*Machine Accounting and Its Place in Our Curriculum*, M. M. Hargrove, Tulsa University, Tulsa, Oklahoma.

*Teaching the Intermediate Course in Accounting*, Daniel Borth, Louisiana State University, University.

*Teaching the Applied Courses by Laboratory and Field Methods*, Chester F. Lay, University of Texas, Austin.

*Teaching the Course in Auditing*, C. Aubrey Smith, University of Texas, Austin.

General Discussion.

FRIDAY, APRIL 7, 9:00 A. M.

*Agricultural Economics Section* ----- Room 316  
Chairman: C. A. Bonnen, Texas A. and M., College Station.

*Planning the Individual Farm Business*, W. T. Wilson, University of Arkansas, Fayetteville (Forty minutes).

Discussion: O. R. Johnson, University of Missouri, Columbia (Ten minutes).

*A Summary of Findings from Two Years' Research in the High Plains*, Harry G. Sitler, Bureau of Agricultural Economics, Washington, D. C. (Forty minutes).

Discussion: K. H. Meyers, Soil Conservation Service, Washington, D. C. (Ten minutes).

*Methods and Place of Statistical Tests in Farm Management Research*, Wm. D. Blachley, Bureau of Agricultural Economics, Washington, D. C. (Forty minutes).

Discussion: K. C. Davis, Oklahoma A. and M., Stillwater (Ten minutes).

General Discussion (Thirty minutes).

FRIDAY, APRIL 7, 9:00 A. M.

*Economics Section* ----- Room 6  
Chairman: V. G. Sorrell, University of New Mexico, Albuquerque.

*Imperfect Competition and the Preservation of Democracy*, R. T. Klemme, Oklahoma A. and M., Stillwater.

Discussion Leaders: John Hodges, Arkansas A. & M., Monticello; Amos W. Ford, Louisiana Polytechnic Institute, Ruston.

Chairman: L. B. Lucky, Louisiana State University, University.

*Industrial Opportunities in the South*, S. A. Caldwell, Louisiana State University, University.

Discussion Leaders: George Hoke, University of Oklahoma, Norman; Victor Schoffelmeyer, Agricultural Editor, *Dallas News*, Dallas.

Chairman: T. E. Morris, Texas College of Mines, El Paso.

*Absentee Ownership of Industries in the South*, Gilbert Harold, University of Oklahoma, Norman.

Discussion Leaders: E. H. Plank, Texas Technological College, Lubbock; Edward C. Burris, Oklahoma A. and M., Stillwater.

#### FRIDAY, APRIL 7, 9:00 A. M.

*Joint Session of Business Administration and Psychology Sections* Room 434

Chairman: Karl D. Reyer, Louisiana State University, University.

*Developing an Effective Personality for Business*, Howard Taylor, Oklahoma College for Women, Chickasha.

*Employee Credit as a Personnel Problem*, M. B. Bogarte, Pollock Paper and Box Company, Dallas.

*Recent Developments in Market Research*, Harold Young, United States Department of Commerce, Dallas.

Discussion Leader: Ronald Shuman, University of Oklahoma, Norman. *Business Letter Psychology*, W. P. Boyd, University of Texas, Austin.

Discussion Leader: Joy Adams, Texas College for Women, Denton.

#### FRIDAY, APRIL 7, 9:00 A. M.

*Government Section* ----- Room 2

Chairman: C. F. Spencer, East Central Oklahoma State Teachers College, Ada.

*Democracy and the Will to Rule*, Walter E. Sandelius, University of Kansas, Lawrence.

*Publicity and Propaganda—Safeguards or Threats to Democracy*, Nolan Fortenberry, Edinburgh Texas Junior College, Edinburgh.

*Efficiency and Popular Control*, Wm. H. Edwards, New Mexico State College, State College.

*Preserving Democracy Through Professionalization in the Public Service*, C. B. Wivel, Eastern New Mexico Normal School, Portales.

Discussion Leaders: E. W. Roland, East Texas State Teachers College, Commerce; E. L. Harshbarger, Bethel College, Kansas; Joe M. Ray, North Texas State Teachers College, Denton; E. M. Powell, Personnel Director, City of Dallas; W. R. Maddox, University of Kansas, Lawrence.

#### FRIDAY, APRIL 7, 9:00 A. M.

*History Section* ----- Room 5

Chairman: W. J. Hammond, Texas Christian University, Ft. Worth.

*Some New Viewpoints On the Early Stuart Period*, E. M. Violette, Louisiana State University, University.

*British Imperialism in the West Indies*, Homer C. Huitt, Arkansas State College, Jonesboro.

*The Nile Waters as a Factor in Post-War Anglo-Egyptian Diplomacy*, Donald H. Nicholson, Southwest Missouri State Teachers College, Springfield.

*Twentieth-Century Beginnings of Italian Imperialism*, J. L. Glanville, Southern Methodist University, Dallas.

*Prince Lichnowsky's Mission to England*, Edward F. Willis, Oklahoma A. and M., Stillwater.

FRIDAY, APRIL 7, 9:00 A. M.

Human Geography Section ----- Room 318

Chairman: Allen Belden, University of Oklahoma, Norman.

*The Indians of Mid-Western Guatemala*, Sam T. Bratton, University of Missouri, Columbia.

*Progress of the Zuiderzee Reclamation Project*, William Van Royen, University of Nebraska, Lincoln, introduced by Edwin J. Foscue, Southern Methodist University, Dallas.

*Remarques sur le Canada Francais*, C. B. Odell, Stephen F. Austin State Teachers College, Nacogdoches.

*Representative Communities in the Canadian Wheat Belt*, John Q. Adams, University of Missouri, Columbia.

*Farm Population Movement in Oklahoma, 1930-1935*, Meredith F. Burrill, Oklahoma A. and M., Stillwater.

FRIDAY, APRIL 7, 9:00 A. M.

Sociology Section ----- Room 4

Chairman: Alvin Good, Louisiana State Normal, Natchitoches.

*The Pattern of Marriage Selection in Prosperity and Depression*, C. Arnold Anderson, Iowa State College, Ames.

Discussion Leader: O. D. Duncan, Oklahoma A. and M., Stillwater.

*Differential Fertility Rates by the Indirect Method*, Peter P. Klassen, College of the Ozarks, Clarksville.

Discussion Leader: Ruby Jo Reeves, Texas State College for Women, Denton.

Chairman: J. L. Duflot, West Texas State Teachers College, Canyon.

*The Status of Sociological Research in New Mexico*, Paul Walter, University of New Mexico, Albuquerque.

Discussion Leader: Kenneth Evans, East Texas State Teachers College, Commerce.

*The Status of Planning in Oklahoma*, Leonard Logan, University of Oklahoma, Norman.

Discussion Leader: Carroll D. Clark, University of Kansas, Lawrence.

FRIDAY, APRIL 7, 12:15 P. M.

General Luncheon ----- Mezzanine Lounge

Chairman: Dean Raymond D. Thomas, Oklahoma A. and M., Stillwater.

*Nationalism and Groupism in Modern Political and Economic Life*, Dr. D. C. Blaisdell, Administrative Assistant to the Under Secretary of Agriculture, Washington, D. C.

FRIDAY, APRIL 7, 2:00 P. M.

Accounting Section ----- Room 320

Chairman: B. F. Harrison, Oklahoma A. and M., Stillwater.

Round Table Discussions:

*One Year of "A Statement of Accounting Principles"*, E. A. Salliers, Louisiana State University; A. C. Upleger, Certified Public Accountant, Waco.

*"McKesson and Robbins"—Its Repercussions*, Joe E. Hutchinson, Jr., Member of Council of the American Institute of Accountants, Dallas; George H. Abbott, Certified Public Accountant, Barrow, Wade, Guthrie and Company, Dallas.

Subtopics:

*Accounts Receivable Verification*, George B. McCowan, Oklahoma A. and M., Stillwater.

*Inventory Verification*, Lawrence W. Fleck, Southern Methodist University, Dallas.

*Collusion and Audit Procedure*, Monroe S. Carroll, Baylor University, Waco.

FRIDAY, APRIL 7, 2:00 P. M.

Agricultural Economics Section ----- Room 316

Chairman: R. J. Saville, Louisiana State University, University.

*Characteristics Surrounding Rural Homestead Exemptions in Louisiana*, Clarence Boonstra, Assistant Agricultural Economist, Louisiana State University, University (Forty minutes).

Discussion: A. L. Larson, Oklahoma A. and M., Stillwater (Ten minutes).

*Results from a Study of Real Estate Problems and Farm Indebtedness in Dallas County, Texas*, E. D. G. Roberts, Bureau of Agricultural Economics, Washington, D. C. (Forty minutes).

Discussion: B. M. Gile, Louisiana State University, University (Ten minutes).

*Methodology in Sample Census Taking*, J. W. Reid, University of Arkansas, Fayetteville (Forty minutes).

Discussion: Harold Miles, Oklahoma A. and M., Stillwater (Ten minutes).

General Discussion: (Thirty minutes).

FRIDAY, APRIL 7, 2:00 P. M.

Business Administration Section ----- Room 324

Chairman: Fred E. Jewett, Oklahoma A. and M., Stillwater.

*One Method of Vitalizing the Approach to Business Administration*, J. O. Ellsworth, Texas Technological College, Lubbock.

Discussion Leader: Norval Garrett, Southeastern Louisiana College, Hammond.

*Regional Measurement of Business Conditions*, Paul W. Milam, Editor, Arkansas Business Bulletin, University of Arkansas, Fayetteville.

Discussion Leaders: H. A. Handrick, General Deputy Collector, Bureau of Internal Revenue, Greensboro, North Carolina; George H. Seferovich, Loyola University, New Orleans.

*Bank Service Charges*, H. A. Widdecke, Mercantile National Bank, Dallas.

Discussion Leader: M. H. Hornbeak, Louisiana State University, University.

Tour of Nieman-Marcus Department Store conducted by Edward S. Marcus.

#### FRIDAY, APRIL 7, 2:00 P. M.

*Joint Session of Economics and Government Sections* ----- Room 434

Chairman: C. V. Hall, East Texas State Teachers College, Commerce.

*An Analysis of American Liberalism*, Ward Morton, University of Arkansas, Fayetteville.

Discussion Leaders: E. E. Hale, University of Texas, Austin; R. E. Westmeyer, Rice Institute, Houston; Spencer Albright, University of Texas, Austin; Ernest L. Tutt, Manager, Social Security Board, Dallas.

Chairman: Karl Ashburn, Southwestern Louisiana Institute, Lafayette.

*The Relationship of the National Labor Relations Act to Industrial and Political Democracy*, Edwin A. Elliott, Regional Director, National Labor Relations Board, Fort Worth.

Discussion Leaders: Sam Barton, Stephen F. Austin State Teachers College, Nacogdoches; T. N. Farris, Louisiana State University; J. H. Leek, University of Oklahoma, Norman; G. E. Hunsberger, University of Arkansas, Fayetteville.

#### FRIDAY, APRIL 7, 2:00 P. M.

*History Section* ----- Room 5

Chairman: Rupert N. Richardson, Hardin-Simmons, Abilene, Texas.

*Origin and Early Use of the Horse on the Plains*, Dale N. Morrison, McMurray College, Abilene.

*Louisiana Lottery*, G. W. McGinty, Louisiana Polytechnic Institute, Ruston.

*The First Oil Boom in the Mid-Continent Field*, Gerald Forbes, Northeastern Teachers College, Tahlequah, Oklahoma.

*The Mexican Oil Dispute and the Monroe Doctrine*, T. H. Reynolds, Oklahoma A. and M., Stillwater.

#### FRIDAY, APRIL 7, 2:00 P. M.

*Human Geography Section* ----- Room 318

Chairman: Edwin J. Foscue, Southern Methodist University, Dallas.

*Physiographic Control of Routes and Trails in Texas*, Willie M. Floyd, Abilene High School, Texas.

*Some Leading Texas Cities*, Wm. T. Chambers, Stephen F. Austin State Teachers College, Nacogdoches, Texas.

*Upstream Aspects of the Proposed Red River Dam*, Clyde J. Bollinger, University of Oklahoma, Norman.

*The Petroleum Industry of the Gulf Coast Salt Dome Area*, Virginia Bradley, Southern Methodist University, Dallas.

*The Development of the Pepper Industry in Louisiana*, Harry J. Chatterton, Southwestern Louisiana Institute, Lafayette.

FRIDAY, APRIL 7, 2:00 P. M.

Psychology Section ----- Room 3

Chairman: Joseph U. Yarborough, Southern Methodist University, Dallas.

*Graduate Study and Professional Growth*, A. L. Kerbow, University of Houston, Texas (Fifteen minutes).

*Personality Traits and Choice of Special Subjects*, Bertha K. Duncan, Texas State College for Women, Denton (Fifteen minutes).

*The Validity of Personality Questionnaires*, E. E. Bonney, North Texas State Teachers College, Denton. (Fifteen minutes).

*Whither Psychology*, R. H. Waters, University of Arkansas, Fayetteville.

FRIDAY, APRIL 7, 2:00 P. M.

Sociology Section ----- Room 4

Chairman: Albert E. Croft, University of Wichita, Kansas.

*The Pathology of Hyper-Nationalism*, Joseph S. Werlin, University of Houston, Texas.

Discussion Leader: Walter T. Watson, Southern Methodist University, Dallas.

*War, An Obsolescent Social Mechanism*, Rex D. Hopper, University of Texas, Austin.

Discussion Leader: T. G. Standing, Oklahoma A. and M., Stillwater.

Chairman: Joe K. Johnson, East Texas State Teachers College, Commerce.

*The Role of Small Groups in the Formation of Public Opinion*, Ernest Mannheim, University of Kansas City, Missouri.

Discussion Leader: Harry E. Moore, University of Texas, Austin.

*The Value of the Sociometric Technique in Sociological Research*, Walter O. Cralle, Southwest Missouri State Teachers College, Springfield.

Discussion Leader: Leo A. Haak, University of Tulsa, Oklahoma.

FRIDAY, APRIL 7, 8:00 P. M.

General Meeting ----- Crystal Ballroom

Chairman: Dr. W. E. Gettys, University of Texas, Austin.

Presidential Address: *Adjusting Agriculture to Future National Economy*. Dr. C. O. Brannen, University of Arkansas, Fayetteville.

Address: *Some Elements in Security for the Rural South*. Dr. Carl C. Taylor, Chief, Division of Population and Rural Life Activities, Bureau of Agricultural Economics, Washington, D. C.

SATURDAY, APRIL 8, 7:30 A. M.

Business Administration Section ----- Room 324

Breakfast Meeting.

Chairman: K. D. Reyer, Louisiana State University, University.

*The Articulation of Commerce Education in the High School and Commerce Education in the College*.

Discussion Leaders: A. M. Paxon, University of Tulsa, Oklahoma; H. M. Norton, Louisiana State University, University.

## SATURDAY, APRIL 8, 8:00 A. M.

*Government Section* ----- Room 2  
 Breakfast and Business Meeting.

Chairman: Edwin O. Stene, University of Kansas, Lawrence.

## SATURDAY, APRIL 8, 9:00 A. M.

*Accounting Section* ----- Room 320

Chairman: Chester F. Lay, University of Texas, Austin.

## Round Table Discussions:

*Correlation of Accounting with Other Departments of the College  
 Courses for Special Groups, such as Law, Engineering, and Pharmacy  
 Accounting Courses in the Junior College  
 Highly Specialized Courses in Accounting.*

## SATURDAY, APRIL 8, 9:00 A. M.

*Joint Session of Agricultural Economics and Economics Section* Room 6  
 Chairman: Norman Spencer, Sul Ross State Teachers College, Alpine, Texas.

*The Cultivated Mind and the Cultivated Land in the Preservation of  
 Democracy*, C. A. Wiley, University of Texas, Austin.

Discussion: Estal E. Sparlin, University of Arkansas, Fayetteville; F.  
 L. Vaughan, University of Oklahoma, Norman.

*What Cooperation Has to Contribute in Solving the Problem of Distribu-  
 tion*, W. E. Paulson, Texas A. and M., College Station.

Discussion: L. S. Ellis, Vice-Director, Oklahoma Agricultural Experiment  
 Station, Stillwater; L. P. Gabbard, Chief, Division Farm and Ranch  
 Economics, Texas A. and M., College Station.

General Discussion.

## SATURDAY, APRIL 8, 9:00 A. M.

*Business Administration Section* ----- Room 324

Chairman: E. C. Petty, University of Oklahoma, Norman.

*Financing Small Business Enterprises*, Lionel D. Haight, New Mexico  
 State College, State College.

Discussion Leader: Frank K. Rader, Southern Methodist University,  
 Dallas.

*Retail Credit Promotion*, Neil S. Foster, Baylor University, Waco.

Discussion Leader: Watrous H. Irons, University of Texas, Austin.

*Distributive Education*, Pearce C. Kelley, State Coordinator of Distribu-  
 tive Occupation, University of Arkansas, Fayetteville.

Discussion Leader: J. O. Curry, University of Arkansas, Fayetteville.

*Consumer Education in the Business Curriculum*, Elsie S. Jenison, Texas  
 State College for Women, Denton.

Discussion Leader: T. C. Root, Texas Technological College, Lubbock.

## SATURDAY, APRIL 8, 9:00 A. M.

*Government Section* ----- Room 2

Chairman: T. H. Benton, Drury College, Springfield, Missouri.

*Preserving Democracy through Local Government*, Willmoore Kendall,  
 Louisiana State University, University.

*Judicial Review as a Safeguard to Democracy*, C. Perry Patterson, Uni-  
 versity of Texas, Austin.

*Preserving and Promoting Democracy through Education*, A. S. White, University of New Mexico, Albuquerque.

Discussion Leaders: Hugo Wall, University of Wichita, Kansas; Cortez Ewing, University of Oklahoma, Norman; Roydon J. Dangerfield, University of Oklahoma, Norman.

SATURDAY, APRIL 8, 9:00 A. M.

History Section ----- Room 5

Chairman: C. C. Rister, University of Oklahoma, Norman.

*The Attorney General's Office Before 1860*, A. G. Mallison, Southwestern Louisiana Institute, Lafayette.

*The Irrepressible Conflict Between the Douglas and Yancey Wings of the Democracy in 1860*, Austin L. Venable, University of Arkansas, Fayetteville.

*Horace Greeley and Peaceable Secession*, David N. Porter, Jr., Rice Institute, Houston.

*The Populist Party in Congress*, Clarence N. Roberts, University of Missouri, Columbia.

SATURDAY, APRIL 8, 9:00 A. M.

Human Geography Section ----- Room 318

Chairman: Sam T. Bratton, University of Missouri, Columbia.

*Magnolia Lake in the Seminole City Oil Field*, David Winslow, Seminole Junior College, Oklahoma.

*Human Adjustments to Conservation Work in Texas*, Harriet Smith, Sam Houston State Teachers College, Huntsville.

*Some Impressions of the International Geographical Congress*, Willem Van Royen, University of Nebraska, Lincoln.

*The Status of Geography in the Colleges in the Southwest*, Edwin J. Foscue, Southern Methodist University, Dallas.

*Geography as a Background for Advanced Economic Studies*, Leland S. Paine, Texas A. and M., College Station.

SATURDAY, APRIL 8, 9:00 A. M.

Psychology Section ----- Room 3

Chairman: C. H. Bean, Louisiana State University, University.

*Personnel Work in a Medium-Sized College*, C. C. Denney, Arkansas State Teachers College, Conway (Fifteen minutes).

*Nature of the Bi-Directional Gradient in Serial Learning*, Claude C. Dove, University of New Mexico, Albuquerque (Twenty minutes).

*The Conception of the True Path and Efficiency in Maze Learning*, A. Q. Sartin, Southern Methodist University, Dallas (Twenty Minutes).

Discussion Leader: L. McD. Kennedy, Southern Methodist University, Dallas (Twenty minutes).

*Some Psychological Principles in Advertising*, Monty Mann, Tracy-Locke-Dawson, Dallas (Twenty minutes).

SATURDAY, APRIL 8, 8:30 A. M.

Sociology Section ----- Room 4

Chairman: J. J. Rhyne, University of Oklahoma, Norman.

*Some Problems of Technique in Urban Research*, A. L. Porterfield, Texas Christian University, Fort Worth.

Discussion Leader: Carl W. Strow, East Central State Teachers College, Ada.

*The Construction and Standardization of a Scale for the Measurement of Farm Family Socio-Economic Status*, Wm. H. Sewell, Oklahoma A. and M., Stillwater.

Discussion Leader: Austin Van der Slice, University of Arkansas, Fayetteville.

Chairman: Wm. H. Metzler, University of Arkansas, Fayetteville.

*Displaced Families in the Land Utilization Program*, F. D. Cronin, Regional Sociologist, Northern Great Plains Area, Lincoln, Nebraska.

Discussion Leader: C. Horace Hamilton, Texas A. and M., College Station.

#### SATURDAY, APRIL 8, 12:15 P. M.

General Luncheon and Business Meeting ----- Mezzanine Lounge

The Twentieth Annual Business luncheon and meeting was attended by about seventy members. President C. O. Brannen presided until the selection of officers. The order of business was as follows: The President's report; The Secretary reported on membership and finances of Association; reports were heard from the Editor-in-Chief, the Auditing Committee, the Committee on Resolutions and the Committee on Nominations. These reports were as follows:

#### PRESIDENT'S REPORT

President C. O. Brannen expressed his sincere appreciation for the cooperation he received during the past year. Special mention was given to the work of the Program Chairman, the Committee on Local Arrangements, the Section Chairmen and the members of the Executive Council. The President commented upon the improved financial condition of the Association and the fine attendance at the Twentieth Annual Meeting.

#### REPORT ON MEMBERSHIP

NOTE: By action of the Sixteenth Annual Convention, the Secretary-Treasurer was authorized to drop those who have been carried on his books for longer than one quarter in arrears and to elevate delinquent members to good standing if they pay the subscription for the past year due and one year in advance.

#### I

	April, 1937	April, 1938	April, 1939
Life -----	1	1	1
Contributing -----	4	3	--
Sustaining -----	1	1	1
Institutional -----	--	6	7
Active:			
1. Individuals (in good standing)	171	198	251
2. Individuals (in arrears) -----	34	50	22
3. Libraries (in good standing)	119	133	122*
4. Libraries (in arrears) -----	6	10	10*
Totals -----	336	402	414

\*Includes paying libraries only and excludes libraries furnished on institutional memberships.

## II

1. Individuals dropped since April 1, 1938 .....	40
2. Libraries dropped since April 1, 1938 .....	2
3. New Individuals added since April 1, 1938 .....	65
4. New Libraries added since April 1, 1938 .....	8

## III

An attempted distribution of individual memberships (good standing) according to sections:

Accounting .....	18
Agricultural Economics .....	13
Business Administration .....	30
Economics .....	42
Government .....	38
History .....	32
Human Geography .....	19
Psychology .....	7
Sociology .....	28
Miscellaneous and those not designating sections .....	24
Total .....	251

STATEMENT OF RECEIPTS AND DISBURSEMENTS FOR THE  
NINETEENTH FISCAL PERIOD  
February 1, 1938 to January 31, 1939

NOTE: By action of the Fifteenth Annual Convention, the Secretary-Treasurer was ordered to close his books as of January 31.

## RECEIPTS:

Balance, February 1, 1938 .....	\$101.49
Membership Dues:	
Active—Individual .....	621.00
Active—Libraries .....	330.00
Contributing .....	10.00
Institutional .....	230.00
Sale of Publication .....	118.75

## DISBURSEMENTS:

Transcript Publishing Co.:		
Printing of March 1938 Quarterly ..	\$228.48	
Printing of June 1938 Quarterly ..	272.81	
Printing of Sept. 1938 Quarterly ..	231.34	
Printing of Dec. 1938 Quarterly ..	252.75	\$ 985.38
Convention expenses (net) .....		55.00
Printing and mailing of programs .....		31.72
Stamps and office supplies .....		72.99
Clerical help .....		12.75
Mailing labels .....		3.57
Express and postage on back numbers ..		7.98
Express on Quarterlies and books between Editor and Secretary-Treasurer ..		6.39
Postage and other mailing costs by Editor ..		16.48
Membership campaign cards .....		11.68
Bank charges .....		4.52
Agency charges .....		.45
Balance on hand, January 31, 1939 .....		202.33
	<u>\$1,411.24</u>	<u>\$1,411.24</u>
Cash balance at time of the annual business meeting, April, 1938. ....		\$411.38
Cash balance today—April 8, 1939. ....		\$662.38

EDITORIAL REPORT FOR VOLUME XIX OF THE QUARTERLY  
DISTRIBUTION OF QUARTERLY MATERIALS AS TO SUBJECT MATTER—  
VOLUME XIX

	SPACE DEVOTED TO							
	Articles		Notes and Miscel- laneous Items		Book Reviews		Total	
	Number Pages	Per Cent	Number Pages	Per Cent	Number Pages	Per Cent	Number Pages	Per Cent
June, 1938	86	67.7	19	14.9	22	17.4	127	100
September, 1938	82	78.8	4	3.9	18	17.3	104	100
December, 1938	86	75.5	9	7.9	19	16.6	114	100
March, 1939	63	62.4	18	17.8	20	19.8	101	100
Total	317	71.1	50	11.1	79	17.8	446	100

DISTRIBUTION OF ARTICLES IN VOLUME XIX OF QUARTERLY AS TO  
SPECIALISM

Specialism	Number of Articles	Per Cent
Sociology	7	22.7
History	5	16.1
Agricultural Economics	5	16.1
Government	5	16.1
Business Administration	4	12.9
Economics	2	6.4
Geography	2	6.4
Accounting	1	3.2

DISTRIBUTION OF ARTICLES IN VOLUME XIX OF QUARTERLY ACCORDING  
TO STATE

State	Number of Articles	Per Cent of Articles
Texas	8	25.9
Oklahoma	7	22.6
Kansas	4	13.0
Louisiana	3	9.7
Missouri	2	6.4
Arkansas	2	6.4
Washington D. C.	2	6.4
Wisconsin	1	3.2
Florida	1	3.2
New Mexico	1	3.2
Total	31	100.0

Number of Book Reviews in Volume XIX .....95

REPORT OF AUDITING COMMITTEE

To Members of the Southwestern Social Science Association:

The auditing committee of the association has reviewed the cash and membership records of the secretary-treasurer from April 1, 1938 to April 4, 1939. As the fiscal year and the audit period do not coincide the months of February and March of 1938 have been audited by the preceding committee.

All cash credits on the membership records were found to have been deposited and all cash disbursements between May 2, 1938 and April 4, 1939 were properly vouched. Checks issued prior to May 2, were examined and appear to be legitimate disbursements. Membership dues receivable were not verified.

Subject to the above qualifications the financial report submitted by the Secretary-treasurer for the fiscal period February 1, 1938 to January 31, 1939 was found to be correct.

Respectfully yours,

THE AUDITING COMMITTEE

Walter B. Cole

Haskell Taylor

Wiley Rich, Chairman

#### REPORT OF THE COMMITTEE ON RESOLUTIONS

To President C. O. Brannen:

Be it resolved by the Southwestern Social Science Association:

That the Association hereby express its appreciation to the Chamber of Commerce, the Baker Hotel, the Press, and to the Committee on local arrangements, for courtesies extended the association and for efficient handling of all matters, which have contributed so much to the success of this meeting.

The Southwestern Sociological Society as a section of the Southwestern Social Science Association presents the following resolution:

Whereas the Southwestern Social Science Association feels deeply the loss of one of its most active and highly esteemed members in the death of Dr. W. P. Meroney of Baylor University on December 25th, 1938;

Be it resolved that this Association extend its sincere sympathy to Mrs. Meroney and family in recognition of his long and faithful service to the Southwestern Social Science Association;

Be it further resolved that a copy of this resolution be spread on the Society's minutes and a copy be sent to the family.

H. L. Pritchett, Chairman

W. A. Stephenson

J. L. Duflot

#### REPORT OF THE COMMITTEE ON NOMINATIONS

To President C. O. Brannen:

The members of the Nominating Committee of the Southwestern Social Science Association:

G. W. McGinty, Chairman, Louisiana Polytechnic Institute, Ruston, Louisiana.

L. P. Gabbard, Texas A. and M. College, College Station, Texas.

Chester F. Lay, University of Texas, Austin, Texas.

Ronald B. Shuman, University of Oklahoma, Norman, Oklahoma.

Morris M. Blair, Oklahoma A. and M. College, Stillwater, Oklahoma.

John Q. Adams, University of Missouri, Columbia, Missouri.

Hugo Wall, University of Wichita, Wichita, Kansas.

H. L. Pritchett, Southern Methodist University, Dallas, Texas.

Homer C. Huitt, Arkansas State College, Jonesboro, Arkansas.

H. W. Blalock, State Department of Public Utilities, Little Rock, Arkansas.

recommend unanimously as elective officers for 1939-40 the following:

President, Professor C. E. Ayres, University of Texas, a member of the Economics Section; First Vice-President, Professor W. L. Bradshaw, University of Missouri, a member of the Government Section; Second Vice-President, Dean V. G. Sorrell, University of New Mexico, member of the Economics Section.

G. W. McGinty, Chairman.

The report of the Nominating Committee was accepted and President Brannen formally declared the nominees elected.

With no declaration of further business, Second Vice-President V. G. Sorrell, declared the Twentieth Annual Business meeting of the Southwestern Social Science Association adjourned.

After the business meeting members of the Executive Council present considered matters concerning the policies of the Association. The resignation of Dr. J. J. Rhyne, Editor-in-Chief of the Quarterly, was received and accepted. It was resolved that an expression of regret and statement of appreciation be composed by the Secretary-Treasurer and sent to Dr. Rhyne. The Council subsequently named Dr. Carl M. Rosenquist of the University of Texas as Editor-in-Chief of the Quarterly.

The Council voted that the next Annual Meeting of the Association should be held at Dallas during the Easter holidays. Consideration as to the feasibility of holding the annual meeting during the Easter period was given by the Council and a resolution made that the membership be polled as to their preference.

Daniel Borth  
Secretary-Treasurer.

## BOOK REVIEWS

EDITED BY O. DOUGLAS WEEKS  
The University of Texas

James, Vinton Lee, *Frontier and Pioneer Recollections of Early Days in San Antonio and West Texas*. (Privately printed. Press: Artes Graficas, San Antonio, 1938, pp. 210.)

Vinton Lee James, author of *Frontier and Pioneer*, has divided his book into four parts. The first part, extending through page thirty-five, and entitled "John James, Pioneer," is devoted to the memory of his father and the part played by him in the early history of Texas. Herein is depicted the interesting life story of John James, his arrival in San Antonio in 1837, his participation in the battle of Salado, his surveying and other business activities, his narrow escape in the "Court House Fight" in 1840, and his cattle drives to California in the 1850s. The author also includes some of his own recollections of the work of his father. The second part, "Personal Recollections of Vinton Lee James," contains, for the most part, the reminiscences of the author's activities after the Civil War through the 1880s, including notes on his early boyhood and the trying days of reconstruction. Twelve articles such as "San Antonio 98 Years Ago," "Early Schools in San Antonio," and "Prominent Men and Women of Early Days," comprise the third part. The fourth and last division, "Western Texas," is devoted to the hunting and fishing experiences of the author and his companions in the mountains, along the rivers, and on the vast prairies of West Texas. Those who thrill to the music of rod and reel and the bay of the hounds, or whose hearts leap at the thought of a hunt for wild game in the "tangled oceans of white-brush, mesquite, and cat-claw" will want to read these reminiscences of "Western Texas." James introduces his readers to the infinite expanse of the western prairies where "Nature's simplicity was seldom disturbed by the foot of man. Here no dancing brook sang its morning song, flowing over golden-colored pebbles; here no giant trees obscured the vault of heaven; here were no dark cañons with deep recesses, no lofty mountains towering to the fleecy sky, no valleys carpeted with a profusion of painted flowers; but instead, here was vast monotony of endless chaparral, through which the wind sighed and moaned. Here the rabbit, quail, turkey, deer, peccary, panther and other wild animals roamed at will and were seldom disturbed."

These reminiscences, always interesting if not always significant, were written by a man who thoroughly understood and loved the outdoor life which the pioneer settler had to live, and he wrote of it as one might write of one's first love. To sympathy and understanding is added a keen sense of humor which is in evidence on almost every page. For instance in describing the early cattle business he said that it was a common practice for cattle men to take stray cattle, regardless of brand, and to sell them to the owner of a herd en route to Kansas, and observed that "a report to the real owner was supposed to be made, but sometimes this formality was neglected."

The fifty-seven articles comprising the book *Frontier and Pioneer* are exceedingly interesting; they contain much valuable information; the

illustrations likewise furnish additional interest; but the reviewer regrets that many pages of the book are marred because of poor proofreading. Such errors as DeVilis (for DeVilbiss), principle (for principal), marital (for martial), Balknap (for Belknap), Polecarpo (for Policarpo), Johnson (for Johnston), grammer (for grammar), Collahan (for Callahan), coporations (for corporations), and hugh (for huge) occur in great numbers.

CLAUDE ELLIOTT

Southwest Texas State Teachers College

Kirsh, Benjamin S. and Shapiro, Harold Roland, *Trade Associations in Law and Business*. (New York: Central Book Company, 1938, pp. 399.)

The authors, members of the bar, present the business practices of trade associations and the legal interpretations of these practices. From these standpoints they discuss the activities of trade associations—statistical reporting service, uniform cost accounting methods, trade relations, standardization, credit bureau functions, uniform basing point systems, collective purchasing functions, and foreign trade functions. Also there is one chapter on boycotts and defensive combinations and another on patent interchange and cross-license agreements.

According to the authors, the treatise is a critique of the strength and weaknesses of the trade association movement. It "points out in what respects trade association activities are either socially beneficial or hostile to the public welfare, and describes how judicial findings have delimited the rightful and wrongful actions of business groups in their concerted functions." The authors contend that, although some academic and governmental writers are still animated by the intense spirit of the old trust-busting days, one cannot fail to reach the conclusion after long observation and reflection that cooperation is a necessity in the modern business economy. Although the authors condemn price agreements *per se*, they approve of the interchange of market information and other activities of the trade association which enable the members to attain a greater stability in operations and prices. In appraising such a position, the reader should remember that the trade association in recent years has been an important factor in increasing and stabilizing the prices of finished products, in increasing the gap between the prices of these products and the raw materials from which they are derived, and therefore in intensifying the demand for governmental control of the prices of agricultural products and labor. Recent legislation in behalf of agriculture and labor seeks primarily to place both of them upon a parity with manufacture. In other words, the government, in response to the clamor of farmers and laborers, now seeks to accomplish for them what manufacturers, either individually or collectively, have already obtained for themselves. In general, trade associations of manufacturers, however innocent their printed objectives may seem, tend toward price control. Individuals who sanction this objective and the recent program in behalf of farmers and laborers should approve the friendly interpretation of trade associations which the authors present.

An implication in this and other discussions of trade associations is

that these associations are essential to market information in certain industries. As a matter of fact the government, with its authority and finances, is in the best position to provide data for each industry. Such information from the government should be available of course to both buyers and sellers of particular products as well as to the general public, as it is already for cotton and wheat and other agricultural products. Apparently manufacturers prefer "market information" from their associations and only for themselves.

The author stresses the importance of the availability of inventions in the automobile and oil and other industries through cross-license patent agreements. The necessity of these patent pools arises from the large number of patents in a particular industry, from the questionable validity of these patents, and the likelihood of expensive litigation. This situation suggests to the reader the need of fewer and better patents. In any event the interchange and availability of inventions should be accomplished, from the standpoint of public welfare, through compulsory licenses. There can be no objection of course to "open patent pools", in which all pertinent inventions in a particular industry become available without charge to all members. This in effect is the abolition of patents within the industry—perhaps a good national policy in view of the present plight of the patent system.

The authors have prepared a very useful table of judicial cases which pertain to trade associations.

FLOYD L. VAUGHAN

The University of Oklahoma

Colby, Charles C. (Ed.), *Geographic Aspects of International Relations*, Lectures on the Harris Foundation, 1937. (Chicago: University of Chicago Press, 1938, pp. xi, 295.)

This volume consists of seven lectures delivered at the Thirteenth Institute of the Norman Wait Harris Memorial Foundation. The papers are by no means exhaustive, and except for the fact that each one deals with a section of or with problems pertaining to a country tributary to the Atlantic Basin, there is no particular connection between them. Nevertheless, the geographer and the political scientist will find these offerings by well known authorities of distinct value.

Because it is the first of its kind for that continent, the dot map of population distribution for South America by Preston E. James is perhaps, for geographers, the greatest single contribution of the volume. Recognizing the inadequacy of some of his data, he indicates the relative reliability of various parts of the map. He points out five significant facts of distribution, most important of which is the peripheral concentration of the population on the continent, and the tendency for the development of population clusters separated by sparsely settled areas. The paper is accompanied by maps showing the distribution of types of vegetation, surface configuration, and human occupation of South America.

Also dealing with South America is Robert S. Platt's paper, *Conflicting Territorial Claims in the Upper Amazon*, in which he describes three

trading posts and three frontier stations. In addition to these topographic studies he considers the relative merits of the conflicting territorial claims of Peru and Ecuador. Centered in the high Andes, Ecuador dominated the upper Amazon region during Colonial times because it was closer than the Lima government of Peru. With the improvement of transportation between the coast and the intermontane valleys of Peru, Ecuador has lost this comparative advantage. The major barrier now is the *montana* through which Peru possesses the most accessible routes to the disadvantage of Ecuador. Platt includes population pressure on the coastal oases of Peru as a partial explanation of the greater activity of that country in the upper Amazon.

Derwent Whittlesey deals with another frontier region in his paper, *Reshaping the Map of West Africa*, in which he analyzes the shift of the cultural patterns which formerly corresponded to the east-west trending natural zones to north-south belts cutting across tribal lines as a result of superposition of European political authority.

The remaining four papers deal with political and economic problems of a more general nature. In his paper, *Population Outlets in Overseas Territories*, Isaiah Bowman explains that the epoch of migration is now over, and shows that unoccupied land still available is incapable of relieving population pressure. In spite of the fact that colonies may not be profitable ventures, they provide prestige and a degree of safety to the mother country. They provide a "potential" for the homeland, that is, they increase the gap between the actual wealth and the potential wealth of the state. In a world of restricted foreign trade, colonies help to stabilize the trade of the empire which controls them.

Pierre Denis calls upon his experience as an international financial expert as well as a geographer in his discussion of *International Aspects of State Intervention in Economic Life*. He points out that modern states, regardless of political creed, have all been entering more and more into the social and economic life of the people in an effort to maintain and provide for the public welfare. Essentially the same methods have been used by all: namely, tariffs, managed currency, manipulation of credit, and control of distribution of revenue. These manipulations have been specifically aimed at internal problems, but have had unintentional effects resulting in the disintegration of the world market into independent state markets.

Interesting to consider in the light of events since it was written, is Richard Hartshorne's paper, *A Survey of the Boundary Problems of Europe*. He includes in tabular form an evaluation of the various territorial claims involved in European boundary disputes of the moment. The claims are considered in terms of the cultural character of the population, the local communications, and the historical associations of the people on both sides of the border. Old, long established, universally recognized boundaries of western Europe are considered in contrast to less stable boundaries in central and eastern Europe.

H. H. Barrows in his paper, *A National Plan and Policy for the Control and Use of Water Resources*, relates in concise form the activities of the Water Resources Committee of the National Resources Committee in

determining significant water problems and outlining a plan of attack. He analyzes the seven-point integrated national policy recommended by the committee.

KENNETH BERTRAND

Oklahoma A. and M. College

Zeis, Paul Maxwell, *American Shipping Policy*. (Princeton: Princeton University Press, 1938, pp. 254.)

Ships up to the Civil War could be built as profitably in the United States as anywhere in the World. Both our shipbuilders and operators prospered while other countries were at war with each other and we were at peace. We lost our favored position, however, during the Civil War. Afterwards the protective tariff, by increasing the cost of construction of iron ships in the United States, hastened the decline of the merchant marine. After the failure of the Democratic fight for so-called "free-ships," i. e., the purchase of foreign built ships, came the great subsidy offensive of 1890-1910. Certain "pressure groups" refused to countenance the use of ships built abroad—and others were opposed to subsidies which would benefit the steel interests which already had tariff protection. Conflicting groups were thus responsible for the differences of opinion which precluded the enactment of legislation which would be helpful to the country as a whole. Thus "the chief cause of the failure of the American foreign trade fleet to compete with the fleets of other nations was the excessive cost of building ships in this country and the law which required American ships to be of domestic construction."

The writer criticizes the policies of the Shipping Board largely because it did not itself attempt to build or operate the World War Merchant Fleet. He does not take into account statements of the naval and shipping authorities that the shipping situation was crucial in 1917, and that ships could not be hastily improvised.

President Roosevelt in 1935 gave three reasons why the Government should help to meet the difference between the foreign and American cost of production and operation of a foreign trade fleet: (1) in time of peace, to maintain fair competition; (2) in the event of a major war in which the United States is not involved, to provide us with bottoms for our neutral, peaceful foreign trade; (3) in event the United States is engaged in war, to meet the need for naval auxiliaries and to carry on necessary commerce. The author takes issue on each point, but he is not supported by facts in his own book, nor by reliable sources to which he might well have referred. He takes the view on page 222 that "the Congress and the President are in error" when they assume that a foreign trade fleet would promote and protect our commerce, yet earlier he refers to rebates, and cut-throat practices and excessive rates (pp. 76-78, 85-87), which need not have been the case had the United States possessed more adequate carriage facilities.

With respect to neutrality, Mr. Zeis concludes that a merchant fleet would likely involve us in a war, so he advocates a policy of "recessive

neutrality" and the transportation of goods in foreign bottoms. A study of so-called "recessive neutrality" seems to indicate, however, that it does not necessarily mean the withdrawal of American ships from the seas, but rather the transfer of ships to new routes. Professor Philip C. Jessup advocates a "co-operative neutrality" the first step of which would be an agreement on the part of neutrals to place embargoes on the export to belligerents of arms and supplies which would be essential to the conduct of war. "Interneutral trade could be increased," said Jessup, "as neutral trade with the belligerents decreased."

In addition to an analysis of "pressure politics" it would appear that a knowledge of world conditions in relation to naval requirements, international law, particularly neutrality, and a constructive attitude toward modes of promoting trade might be considered requisites for determining whether we should build a merchant fleet.

MONTELL E. OGDON

Texas Technological College

Heimann, Edward, *Communism, Fascism, and Democracy*. (New York: W. W. Norton and Co., Inc., 1938, pp. 288.)

*Communism, Fascism, and Democracy* by Edward Heimann is an extended essay upon current political 'isms with an added suggestion for still another. The book deals in a stimulating way with the most important issues of political doctrine. But the lay public should be warned that it may prove difficult reading, for it is written in a style that bears an unmistakable German accent. It may also be the fault of mental translation that some passages appear unnecessarily repetitious and that comma blunders are frequent. Avowing his faith in the fundamental value of human personality and in the consequent individual right to self-expression, Heimann is essentially concerned with the pursuit of liberty in the modern world. The author is not one of those simple souls who expect, on contemplating liberty, to see all doors fall flat. But neither does he suffer the defeatism that finds it only a philosophical figment. He hopefully offers "a more constructive, more comprehensive" way to liberty "that wields sufficient spiritual force to dispense with the excessive use or threat of physical force." Before giving his solution, Heimann dissects with learned knife the various intellectual formulae by which men have conducted the eternal quest. He reveals, according to his interpretation, the strength and weakness, in turn, of rugged individualism, classical socialism, communism, and fascism.

The true path to liberty and to "peace through justice," according to Heimann, is pluralistic democracy. This is a democratically controlled system in which the nature and degree of authoritative political action will vary according to the basic economic conditions in every community within a nation; generally this principle will require, he thinks, individualism in agricultural regions and socialism for industrial regions. Human liberty cannot exist, he argues, unless the individual controls the means of making his own living. In agriculture, individual enterprise has proved

economically more productive than communal enterprise, and has been most persistent; and, consequently, in agrarian society, each man's independence in his work can be best attained by individual property and political individualism. In industrial society, on the contrary, since large-scale production is the general rule, private property—in the sense of one man's owning goods needed by others in their work—is the very negation of individual liberty. There socialism is the democratic way of life. Most western democracies should therefore be pluralistic in having a socialist regime for industry and "cooperative individualism" for agriculture.

AUGUST O. SPAIN

Hendrix College

Van Valkenburg, Samuel, *Elements of Political Geography*. (New York: Prentice-Hall, Inc., 1939, pp. xix, 380.)

In these days of unsettled conditions, when our attention is so centered upon political units and shifting boundaries, we welcome a book which helps to direct our attention along lines which give us a better understanding and appreciation of the problems involved in our international relations.

This book, *Elements of Political Geography*, is divided into seven parts. In Part One, *The Political World*, the author presents a very interesting political pattern of the world "based on a cycle in the political development of nations" in which he recognizes four stages, namely youth, adolescence, maturity, and old age. This pattern serves as a basis of treatment throughout the book. Part Two, *France: A Study in Political Geography*, provides a rather thorough study of France as a type. "France has variety enough to make it interesting but lacks real contrasts that would endanger the simplicity which a type demands". In Part Three, *The Physical Elements*, the usual physical elements are treated as parts of the natural landscape. "The political geographer has to take the natural landscape strongly into consideration, since the stage setting of nations is an important factor in their interrelations". In Part Four, *The Economic Elements*, consideration is given to resources and industries, foreign investments, trade, and transportation and the part these factors play in the economic standing and progress of the different nations. Part Five, *The Human Elements*, includes a consideration of race, ethnographic structure of nations, boundaries, language, religion, population, and government. All of these elements are shown to contribute in varying degrees to the problems of the different political divisions. Part Six, *Colonies*, is devoted to a survey of world colonies and trends of colonial development, and to a brief consideration of the different aspects of colonial values. The author concludes that colonies "have become children of the mother country, and who can or even wants to answer the question: 'Do children pay?' " In Part Seven, *Conclusion*, the author takes a look into the future of the world. Although this seems not at all bright, he thinks he sees one possible way out. It is interesting to note that his one way out of the present situation is a way that is now being proposed.

In the opinion of the reviewer this book is very timely and worthwhile in a field in which there is a great need. The material is well organized and is presented in a direct and interesting manner. The book is well illustrated with helpful maps, has a restricted bibliography including some foreign publications, and an appendix of interesting tables.

No doubt many would welcome a full discussion of the problems of all the great powers of the world, but with France as a type and with the help of the available workbook, the purpose of which is "to complement as well as supplement the text", detailed studies of the different countries can be made.

DARTHULA WALKER

West Texas State College

Leiffer, Murray H., *City and Church in Transition*. (Chicago: Willett, Clark and Co., 1938, pp. xiii, 301.)

This is another *must* book for students who are really interested in the application of social science methods and techniques to the study of religion and the church. Leiffer ranks with Kincheloe and Holt as a leader in a very important "marginal area". Religion and Philosophy on the one hand, and Social Sciences on the other are driven irresistibly to grapple with the problem of values. For either to ignore the other is fatal to both. Religion and Philosophy, unaided by Social Science, rapidly degenerate into "vain imaginings". A Social Science, refusing to deal with values, demolishes its most essential data. Certainly cross-fertilization is imperatively demanded but it must be done by competent men. Leiffer is such a man if this book is any index.

Recognizing that "metropolis and village have received the unstinted attention of sociologists", and that detailed case studies of municipalities—like that made of Muncie, Indiana, by the Lynds—have their place in social research, Leiffer decided that there was a need for "a comparative analysis of a score or more cities to be made in order to gain knowledge of the general patterns and problems of medium-sized cities as a class, and also to determine what, if any, distinguishable types existed."

The data presented in the book rest on the investigation of 140 cities in the 50,000—150,000 population class and were facilitated through the cooperation of 363 ministers serving in 9 different denominations. The author, though teaching in a theological seminary, writes as a sociologist who is chiefly interested in an *analysis* of rather than in a *defense* of the church. He states his purpose as that of facing "realistically and frankly the present status and problems of the church in the medium-sized city."

The book is divided into two parts. Part One deals with "The City—The Church's Habitat". After discussing the development of "Mediopolis"—the in-between city, Leiffer considers the number and distribution of such cities and then against the background of the assertion that "so far no attempt has been made at a systematic classification of medium-sized cities", undertakes to set up such a classification identifying what he considers to be five clearly differentiated types—(1) The Commercial City—

The Prototype of Mediopolis, (2) The Industrial City—Mediopolis in Overalls, (3) The Industrial Suburb—The Workshop of the Nation, (4) The Residential Suburb—The Parlor of the Metropolis, and (5) The Resort City—The Playtown of the Nation.

Part Two is entitled "The Church in its Community" and is a consideration of the way in which the church has adapted to the growth of the city. An opening chapter deals with "The Church Grows up with its City" and is followed by discussions of the functions and problems of the church in each of the five types of cities. The book concludes with a chapter on "Toward a More Effective Church".

Tables, maps, and charts add greatly to the usefulness of the work as do four appendixes on (1) Demographic Data for Selected Cities and the Total United States Population, (2) Occupational Distribution, (3) The Population Pyramid—a device for studying the local church, and (4) Methods of Securing Data on Local Churches.

REX D. HOPPER

The University of Texas

Schmitt, Bernadotte E., *The Annexation of Bosnia, 1908-1909*. (Cambridge: University Press, 1937, pp. viii, 264.)

This monograph is a thorough, painstaking analysis of the diplomatic correspondence which concerns the Bosnia Crisis of 1908-09. Professor Schmitt has ransacked the published diplomatic materials and fitted them into a well-balanced account of the diplomatic tangle which almost led Europe to war in 1909. It is a pity that the Soviet Government did not see fit to release the material which Professor Schmitt saw in the Imperial Archives, but, in spite of this, enough evidence is available to describe the crisis with reasonable accuracy. The reader may be tempted to disagree, here and there, with Professor Schmitt's interpretation of the material; for example, Sir Edward Grey appears in the role of a great peace-maker which does not always fit too well his other role of diplomatic supporter of Serbia and Russia. At times the reader may also feel that Germany's position is treated somewhat unsympathetically. The present reviewer believes that the study would have profited by a closer survey of the diplomatic forces which confronted the Young Turks during the year 1909; it would have thrown considerable light on the relations of England, Germany, and Austria to the Turkish Government. But, by and large, if you accept his monograph for what Professor Schmitt has intended it to be, it is an excellent piece of work, and probably will remain the "standard work" in English for some time to come.

The point which the reviewer would like to raise is somewhat outside the scope of the present book, but one which every serious student must inevitably consider. Studies like Professor Schmitt's monograph are very necessary and useful, but if the historian stops here, he limits his role and usefulness. He runs the risk of becoming a scholarly detective and puzzle-solver who fits together fragments of human action to describe a plot. History, however, is an attempt to reconstruct and give meaning

to past events. The reconstruction process is not complete until we have attempted to explain the basis for the intellectual and moral judgments which men are driven to make, and significance is not clear until we have attempted to explain the action of man in terms of the prevailing *Zeitgeist*. Diplomatic historians often fail to give their story either life or significance; it is probable that the diplomatic correspondence upon which we base our studies does not give us insight into these broader questions. Professor Langer has experimented, quite successfully, with other materials which explain and enlarge the horizons allowed by so-called "primary documentary evidence." It may be that other techniques will be developed which will facilitate our labors even more.

This digression is not intended as a criticism of Professor Schmitt's monograph. In it he has done just what he set out to do, namely, to describe play by play a complicated diplomatic exchange, and he has done it well. The reviewer only hopes that Professor Schmitt, or someone as well acquainted with the diplomatic material as he is, will write for us a book which will interpret the diplomacy of the decade before the war in terms of the intellectual and moral climate of the period.

JOHN B. WOLF

University of Missouri

Pratt, Helen, *China and Her Unfinished Revolution; Japan, Where Ancient Loyalties Survive; Russia, From Tsarist Empire to Socialism*. (Volumes I, II, and III respectively, of the series entitled *Peoples of the Pacific*. American Council, Institute of Pacific Relations. New York: 1937, pp. 173, 188, and 202, respectively.)

These three volumes are the first in a series of studies of countries and peoples of the Pacific area. The books originated in Hawaii, among the institutions interested in the study of Pacific and international affairs, and within the orbit of the world's greatest racial laboratory. They were completed in the New York office of the American Council of the Institute of Pacific Relations. They comprise, accordingly, a series of institutional studies, tapping many sources, none exhaustively, and many only in a general way. They have the faults and virtues of institutional studies.

The volume on China deals with that country's past, its area and culture, its philosophy, its unfinished revolution, its imperialism, and its social problems. The chapter headings are intriguing, and not always descriptive of the order and substance of the material which follows. The greatness of China's past at times seems exaggerated, and her problems of the present and future minimized. The political and historical summaries seem accurately and comprehensively done.

The volume on Japan seems superior to the one on China, in respect of its greater realism, its organization and selection of materials, and in its greater consideration of the significance of recent and present events. The material on Japan is more concrete, and the recent achievements of Japan more significant, from a world-wide point of view. These facts make Miss Pratt's problem simpler in her second volume. While

much is made of the survival of ancient loyalties in Japan, insufficient attention is given the modernity of Japan's political objectives, and the technological aspects of her growth and overseas expansion.

The Russian study seems by far the best of the three, in the sense that it provides a better picture of Russian life, historically, and contemporaneously considered. The Chinese and Japanese volumes suffer from a failure to pursue the definite objective of the series, and as a result are neither the one thing nor the other. The Russian volume seeks to give the general survey originally intended, and on the whole, with success. It lacks much of the detail of the preceding volumes. But it is a superior book without such detail, considering its objective. Moreover, it is interesting. Especially objective and accurate are the chapters on Russia's recent experiments.

This series would have been better prepared if each country had been assigned to a specialist on that country's institutions, who would not lose sight of the forest for the trees. This result would be worth some sacrifice in uniformity. Moreover, it is a question whether Pacific area materials, viewed first from Honolulu and then from New York, can provide a synthesis of approach, since the attitudes are so different. Honolulu views such materials from the standpoint of inter-racial peace within a small compact area, which Honoluluans mistakenly believe may be extended to Pacific and international relations. The New York view is based on considerations of American policy, and on considerations of the conflicting policies of other Pacific nations. The New York view—not the Honolulu view—is the stuff of which world politics is made.

Miss Pratt has undertaken a very difficult task. I have indicated certain faults of planning and execution. Yet, she merits a large measure of credit for an acceptable though not a wholly satisfactory effort. These volumes provide a valuable *vade mecum* for teachers and the reading public who do not wish to pry too far beneath the surface of Pacific affairs. Beyond this, the books will not be of material service.

CHARLES E. MARTIN

University of Washington

White, Leonard D., and Smith, T. V., *Politics and Public Service: A Discussion of the Civic Art in America*. (New York: Harper and Brothers, 1939, pp. xii, 361.)

This volume opens with a rather informal dialogue between the authors, who meet upon a lake in Wisconsin, in which they resolve to "confer from time to time as to the division of labor and come together on Labor Day itself for systematic articulation of our separate efforts." The burden of the writers, as stated in their own words, "... is that politics is not foredoomed to enmity with merit, not if politicians be but enlightened." (p. 95.) The task is undertaken of reconciling the apparently two irreconcilable factors in American political life—politics and the merit system.

Chapter II states the nature of the conflict between party interest and public service. Following chapters present "the case for the party," "the

case for public service;" "politics and administration without patronage," is discussed, and "readjustment" and "civic art in America" are treated. The latter chapter especially appealed to the reviewer. The book concludes as it began, with a two-man discussion between the former United States Civil Service Commissioner and the Congressman at Large from Illinois.

While the volume perhaps presents little that is new to a thoughtful reader, it does state in a clear, complete, interesting, and logical fashion the difficulty and need for harmonizing politics and the merit system, and how one of necessity must lean upon the other. Politics is discussed and treated from a broad and comprehensive point of view, the idea being that politics and administration must go hand in hand, but without patronage. A deeper note is struck when the authors state the need for the preservation of democracy as against totalitarianism, apparently believing that this may be accomplished by an agreement between the enlightened politician and the enlightened administrator. To quote, "Without expert administration, politically supervised, democracy perishes; and this complex art of politics and administration can come to be only through the means of tolerant painstaking." (p. 220.) Patronage is not consistent with the desire for equal opportunity for all; thus it is incompatible with democracy.

The party, while necessary to American public life, can perform its functions more effectively without patronage than with it. The authors, however, are the first to recognize that the transition cannot be expected to take place overnight, but that it must come after an extended process of scientific education.

The volume in a practical and not a theoretical way demonstrates how politics and the merit system must and can be reconciled.

STUART A. MACCORKLE

The University of Texas

Claude Elliott, *Leathercoat. The Life History of a Texas Patriot.* (San Antonio, Texas: Privately printed by the Standard Printing Co., 1938. pp. xiv, 315.)

With the appearance of Professor Elliott's biographical study of James Webb Throckmorton another well-written, interesting book has found its place among *Texana*. Biographies and topic and period studies will form the links which the writer of a new and comprehensive history of Texas will have to assimilate before embarking on his task.

The author does not inform the reader of the source of the title *Leathercoat* until he discusses (p. 93) the fitness of Throckmorton as Confederate Commissioner to the Indians, an appointment made by General E. Kirby Smith in 1865 and approved by Governor Murrah. Just as the Indians renamed Sam Houston "The Raven", they renamed Throckmorton "Leathercoat". "While working and living among them," writes Elliott, Throckmorton "always wore an ornamental heavily embroidered and beaded leather coat, which was a gift from his red friends."

Twelve chapters carry the life history of James Webb Throckmorton,

who was born on the Calf-Killer River in Tennessee on February 1, 1825. He came to Texas with his parents in 1841, and from 1844 to 1846, studied medicine in Kentucky. He enlisted in the Mexican War, and, after this discharge for disability in 1847, he completed his study of medicine. Upon his marriage in 1848 he returned to Texas.

As in the case of many other men, Throckmorton was not to achieve a life career in the profession for which he had prepared himself. He practiced medicine only until 1851, when a political career took the place of the medical. In his political career he saw service as a member of both branches of the Texas Legislature, as Confederate Commissioner to the Indians, as governor of Texas in the early days of reconstruction, and as a member of Congress from Texas. He was a Unionist, but took his stand with Texas in the Civil War.

The major portion of the bibliography consists of manuscripts, printed sources, and newspapers. The Ben H. Epperson Papers were most heavily drawn on for documentation. Throckmorton's own correspondence supplied much information, and the files of forty-four newspapers served their part in providing details for the story. Six illustrations appear in the book. The format and binding are very pleasing, and the type is restful. Professor Elliott deserves credit for putting his study into print, and readers and reviewers will praise his work.

R. L. BIESELE

The University of Texas

Rogers, Carl R., *The Clinical Treatment of the Problem Child*. (Cambridge: Houghton Mifflin Company, 1939, pp. xiii, 393.)

Dr. Rogers has made an intensely practical approach to the process of the readjustment of problem children in *The Clinical Treatment of the Problem Child*. This book, which has grown out of more than a decade of experience in dealing with all types of maladjusted children, takes as its purpose the answering of the question "What can be done to help this child?" Dr. Rogers answers the question by describing and evaluating the treatment skills actually used in clinical work.

Part I, "Ways of Understanding the Child," has a very interesting chapter on the *component factor method* of diagnosis. This method, which was evolved at the Rochester Clinic where Dr. Rogers is director, was designed to help the clinician to analyze the difficulty and prescribe treatment and seems quite useful in clarifying concepts. Three types of methods are described in the following parts, namely, II. "Change of Environment as Treatment;" III. "Treatment Through Modifying the Environment;" and IV. "Dealing with the Individual."

Whereas most books on this and similar subjects start by discussing behavior problems, Dr. Rogers makes it clear that since they are only symptoms, he will concern himself with cause and cure primarily and consider the behavior problems only indirectly.

In a field which is as yet largely speculative, Dr. Rogers, with his non-academic approach is peculiarly fitted to guide teachers, psychologists,

counselors, and others in similar fields to an understanding and evaluation of the methods of treatment now being used.

His bibliographies at the end of each chapter are particularly helpful, being restricted as they are to a few excellent selections of readings rather than consisting of comprehensive and confusing lists.

MARGARET TRIPPET MITCHELL

Krey, Laura, *And Tell of Time*. (Boston: Houghton Mifflin Co., 1938, pp. xi, 712.)

The historical novel here reviewed receives its title from a passage in *The Bacchae* of Euripides. True to the other words in that passage, the story tells of the gifts which Time bears and of the "griefs and wonders in the winding years."

To summarize the story of this historical novel would require too much space and at the same time rob the reader of some of the enjoyment which he will receive from the actual reading. In a brief foreword the author hastily sketches the high points in the life of a kinsman who came to Texas in 1834 and died on his Brazos River plantation in 1900. From him she learned history by word of mouth—"as simply as that; and even yet," she continues, "it seems strange to me to read it, cold and dead, shut up in books." The story shut up in this book turns out to be, not "cold and dead," but warm and full of life.

In content *And Tell of Time* is divided into four parts. The first gives the genealogical background of the principal characters, Cavin Darcy and his wife Lucina, in Virginia and Georgia. The other three parts, constituting five-sixths of the book, cover the period from 1865 to 1888 and portray the experiences of this planter family as they were interwoven with the history of Texas.

The author does not forego the opportunity to let her characters philosophize. For instance, "change is the law of life" (p. 139); "a man's a fool who thinks he knows too much" (p. 220); "men are always willing to squander other people's wealth 'with insolence and without sparing' " (p. 594); "so must decadence tread fast upon the heels of a people weak enough to prefer imitation to creation" (p. 612); "that primeval dignity which belongs to every perfect matching of human effort to human need" (p. 660); and "a man has to do his own job in this world as well as he can, or somebody else'll be doing it for him" (p. 710). She makes her characters practice what they preach.

R. L. BIESELE

The University of Texas

Reynolds, Thomas Harrison, *Economic Aspects of the Monroe Doctrine*. (Nashville: George Peabody College for Teachers, 1938, pp. viii, 194.)

The lively interest in Hispanic America now being manifested by the government and the people of the United States may well inspire a re-study of all Inter-American relations. The basic topic for such study is the

Monroe Doctrine, and Professor Reynolds has made a thorough analysis of the economic forces associated with that phase of American diplomacy.

As the author brings out in his introduction, the purpose of his book is not to present new facts so much as to give new emphasis to facts already well known. His thesis, which is well sustained in his study, is set forth in the preface:

While the United States was interested in removing the shadow of Europe from the Western Hemisphere because of the necessity of national defense and for the furtherance of democratic ideals, it was primarily interested in the freedom of the countries to the South because that freedom would allow it their trade, which it could not fully enjoy while the colonies were under Spanish control.

The author brings out that our economic interests in these countries, especially Cuba, preceded the actual declaration of the Monroe Doctrine by many years. These interests were, in fact, a continuation of the same forces that had drawn us into Louisiana and the Floridas. They were largely the same interests that the United States had championed in a long struggle with Spain over trade rights in South America and along the Mississippi.

Dr. Reynolds believes that the vagueness of the Monroe Doctrine has permitted the United States to modify it at will; and, while the United States has applied it in a protective spirit it has in doing so always considered its own interests first. His conclusion is significant.

The Monroe Doctrine began with economic interests, and it developed with them. It has created during the last years an imperialistic policy that Americans are yet hardly aware of, and an imperialism so controlled by economic interests that it has seemed necessary to have military censorship of intervention.

This book bears evidence of broad and intensive study. Its bibliography is especially useful because of emphasis on Spanish and French sources. It is a worthy contribution to a subject that must continue to be of great interest and great importance to the American people.

R. N. RICHARDSON

Hardin-Simmons University

#### BOOK NOTES

The science of management today is receiving consideration from both the political scientist and the public administrator. Donald C. Stone in his volume on *The Management of Municipal Public Works* (Chicago: Public Administration Service, 1939, pp. xv, 344) analyzes the many factors involved in the administration of city public works, and discusses the means and methods of securing improved managerial control. The author does not stop with a mere statement of the general principles and problems involved in the management of public works, but takes pains to present practices, procedures, and techniques now used in many American cities. The volume carries a number of charts, illustrations, and forms. Con-

sideration is given to the following topics: "Management Essentials," "Personnel Administration," "Standards and Measurements in Public Works Management," "Public Works Planning and Budgeting," "General Accounting as it Affects Public Works," "Public Works Cost Accounting," "Purchasing and Supply Management," "Equipment Management and Accounting," "Engineering Administration," "Public Works Maintenance and Construction," "Refuse and Sewage Disposal," "Property Management," "Public Relations," and "Social Benefits from Public Works." The subjects are discussed, of course, with special reference to municipal public works administration and no doubt as such have merit; however, almost any present-day text treating the general problem of public administration carries a better and more complete consideration of many of the general principles of management.

S. A. M.

The revised and enlarged edition of F. W. Coker's *Readings in Political Philosophy* (New York: The Macmillan Company, 1938, pp. xvi, 717) is a timely publication. The avowed purpose of providing the more significant passages from only the pre-eminent thinkers of succeeding ages in Western political thought down to the nineteenth century is well achieved. Obeliscence is made to more recent research by the inclusion anew of selections from Cicero, St. Augustine, John of Salisbury, Nicholas of Cues, and Luther. The addition to the material from Aristotle and Locke of their discussions on private property contributes to the timeliness of the readings. Changes from the older edition are completed by revisions of a translation and of the introductions and bibliographies. The introductions written by Professor Coker are excellent. Simply and clearly, they tell of the life of each thinker in turn and indicate briefly the nature of his contribution to the stream of Western political thought. The choice of selections shows impeccable taste and judgment; if one well-versed critic is dubious of the omission of material from Edmund Burke, another will insist on the inclusion of Savigny. One might wish that the list of pre-eminent philosophers were extended to include writers of the nineteenth century and perhaps even of the twentieth. Selections from Karl Marx, John Stuart Mill, and even, perhaps, from a champion of Fascism might add to the general availability of the book. However, considerations of space and the difficulties of arrangement and classification probably render such an extension of one volume impracticable.

A. O. S.

There has been published during the past two years a veritable plethora of books about Spain—virtually all concerned, of course, with the Civil War. It is a great relief, therefore, to encounter a work about that tragic country whose theme is a pacific one. Such a volume is that of Sister Mary Monica, *And Then the Storm* (New York: Longmans, Green and Company, 1937, pp. vii, 231). A scholarly American nun recounts with charm her observations of Spanish customs, and experiences in travel

and research in Spanish archives. A penetrating and sympathetic understanding of the old Spain, immediately prior to the outbreak of the Great Civil War, characterizes every page of this delightful volume. Of course, it was to be expected that the good sister should look with misgivings upon the radical trend in Spain, for there is no denying the fact that the Catholic Church was being dealt rude blows by the Republican extremists. The principal value of the book, however, is not to be found in allusions to the rising wave which was to engulf the Peninsula, but rather in the intimate pen portraits of economic and social conditions and aspects of Spanish family life which fell within the scope of the author's observation. Her description of the Archivo de Indias in Sevilla and the problems which confronted the investigator rekindled in the mind of the reviewer memories of identical problems and irritations nearly twenty years ago.

J. L. M.

Professor Demliashkevich, formerly of the Imperial Institute at Petrograd, and now Professor at George Peabody College, has attempted in his book *The National Mind* (New York: American Book Company, 1938) to summarize the predominant traits of the English, French and German nations. If the thesis that it is possible to give a composite picture of national types is accepted, then Professor Demliashkevich's work is a notable contribution to the literature in this field. If, on the other hand, one is dubious, as this reviewer is, of the possibility of such a treatment of modern nations, then Professor Demliashkevich's book loses some of its value. However, even though this latter situation be true, *The National Mind* still affords illuminating material on the general attitude of individual Frenchmen, Englishmen and Germans towards the problems of society and government. In this respect, the chief value of the book lies in the number of quotations and statements taken from various public figures in the countries under discussion, and which the author inserts prolifically throughout his text. The book may be criticised on the ground that too much attention is paid to the point of view of military leaders, but even in this respect the quotations used are very often of considerable interest. The book is readable and interesting, and though intended primarily for students of comparative education, is likewise of interest to students of government and of contemporary affairs in general. If the general thesis of the book be taken not too seriously, it is enjoyable and frequently illuminating reading.

H. M. M.

Samuel C. Kincheloe's *Research Memorandum on Religion in the Depression* (New York: Social Science Research Council, Bulletin 33, 1937, pp. ix, 158) is one of the thirteen "research memoranda" dealing with the effects of the depression on various sectors of our social organization, all done under the direction of The Committee on Studies in Social Aspects of the Depression, which was set up by the Social Science Research Council. This study represents an effort "to analyze some of the situations and

conditions under which the depression *may* have brought about significant changes in the field of religion, and to outline *some* of the problems on which we need further study." Necessarily, attention is limited largely to the church as an institution. Though the term "church" is used to include all organizations—Catholic, Protestant, and Jewish—, most of the data refer to the Protestant Churches." Within the limits thus set up, the following topics are discussed: (1) Church Membership and Attendance, (2) Church Finances, (3) The Clergy, (4) Secularization—General Considerations, (5) The Message, (6) Program and Activities. Eight tables and four figures accompany the printed text and suggest the thoroughness with which the work was done. Adequate citations, careful proof-reading, and a good index combine to produce a very usable volume.

R. D. H.

The stated purpose of Francis J. Brown's *The Sociology of Childhood*, (New York: Prentice-Hall, Inc., 1939) is to present the sociology of the normal child. The normal child is modified to include only such social situations and resultant behaviour as are typical and normal for most children. It is the author's thesis that the social processes are drawn from child life rather than from adult society, and that a careful analysis of these processes during the early years is basic to the understanding of much of the behaviour of adolescent and adult life, and that a basis for social control might be formulated if social organization in childhood were understood. The first part of the book discusses the social processes of social interaction, passive adaptation, conflict, cooperation and active adaptation. The succeeding chapters show these processes in relationship to the child and the various social institutions which affect the child, such as the family group, the play group, school, church, commercial and non-commercial agencies for leisure time, and the state and its relationship to child labor, health, recreation and youth organizations. The style of writing leads to the book's readability, and its inclusiveness of the total of child life in its relation to social institutions, plus its point of view in approaching the social processes through the child life rather than adult leads one to recommend this volume as worth reading for any individual interested in child welfare either from the point of view of the parent, case worker, community worker, or citizen.

F. O. B.

*You and Your Money* (New York: Prentice-Hall, Inc., 1939, pp. 85) by C. Donald Dallas discusses the production and conservation of wealth in a nontechnical manner which should have particular appeal to the layman. The book considers the problem of wealth in relation to the broad economic and social questions which are today disturbing society. The following quotations fairly well summarize the writer's viewpoint: "... the essential prerequisites of the creation of wealth are hard work and common sense"; "We have tried to borrow and spend our way out of the depression, instead of working our way out"; "The doctrine of scarcity . . . lowers the

standards of living. The way to produce wealth is through production and more production at lower and lower cost"; "Taxation takes wealth out of the hands of those who created it and who use it to produce more wealth, and gives it to those who use it, but create no new wealth with it"; "Wages and profits have to be earned. For politicians to pretend they can be voted or created out of the air is either hypocrisy or ignorance."

A. W. J.

*Legislative Councils*, issued in mimeograph form in January, 1939, as Publication No. 21 of the Maryland State Planning Commission and prepared by graduate students at The Johns Hopkins University, is a useful compilation of facts about the recently established legislative councils in ten of the states—Kansas, Michigan, Virginia, Kentucky, Connecticut, Nebraska, Illinois, Wisconsin, Colorado, and New Mexico. The first seven states are shown to have "pure" legislative councils to a greater or less extent, whereas the Wisconsin body is essentially an executive council and Colorado and New Mexico in reality have only committees on interim committees. The structure and functions of the bodies are fully set forth with some little information as to how they have thus far operated in practice. The material thus assembled was secured from the laws creating the councils, questionnaires, and available published material on the subject. Recommendations are also submitted for Maryland.

O. D. W.

In his *Public Opinion in a Democracy*, (New York: Prentice-Hall, Inc., 1939, pp. xi, 598) Professor C. W. Smith has produced an eminently readable and interesting text-book in the field of popular government. It is not a work of great original research, nor does it make any strikingly new contributions to the field, but it does not purport to do any such thing. It is a general survey, a deductive rather than an inductive work; and as such it is intelligent, scholarly, and admirably written. Although primarily a work on public opinion it also contains much material in the related field of political parties. The author's viewpoint is distinctly liberal, but he does not impose it dogmatically upon his reader. His material on civil liberties and censorship is particularly admirable, and he is to be commended for an unusually courageous handling of the race problem. Of special value, too, is his discussion of the development of radio control and its problems in the United States.

J. H. L.

The Century Political Science Series has added to its impressive list of texts a new work entitled *Readings in American Government*, (New York: D. Appleton—Century Company, Inc., 1939) edited by Robert S. Rankin. The book contains the usual documents which form the background of our government's evolution, plus certain contemporary material dealing with

the problems created by the New Deal, and the various political issues which have been brought up under it. A goodly section of the book is devoted to material in the field of local government, which will be welcomed by instructors who have, up until now, found it difficult to find a convenient collection of source material in this field for use in introductory courses. The book is intended to supplement the standard text by Ogg and Ray. Although it does not come up to the high standards set by that book, it nevertheless is a useful reference work to which the students can be sent when a short assignment on a particular phase of government is desirable.

H. M. M.

A recent addition to the Governments of Modern Europe series of D. Van Nostrand Company, Inc., has been made with the publication of a *Source Book of the Government of England* (New York: 1939, pp. x, 494) by R. K. Gooch. The materials selected are well chosen, many of them quite recent. This book is a decided improvement on the usual type of source book and very practical for use in courses in comparative governments.

O. D. W.

The Columbia University Press has just issued a new edition of Immanuel Kant's *Perpetual Peace* with an introduction by Nicholas Murray Butler. (New York: 1939, pp. ix, 67). The text follows that of the first English edition, published in 1796, and the orthography is that of the original translation.

O. D. W.